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What's the Matter?

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WHAT'S THE MATTER?

OR

OUR TARIFF AND ITS TAXES

BY

N. H. CHAMBERLAIN

BOSTON
DE WOLFE, FISKE & CO.
361 AND 365 WASHINGTON STREET

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PREFACE.

THIS book owes thanks to brave Congressmen like Messrs. Cox, Carlisle, Mills, Breckenridge and Russell, who have spoken honest words in the ears of their countrymen against the protection fallacy; to honest scholars in Political Economy who have disproved many times that fallacy; especially to Honorable D. A. Wells, for the learning and research which have arrayed in his pages, by proven facts, modern civilization and progress against the now discredited barbarism of all protection tariffs, notably our own. It owes especial thanks to Mr. Charles F. Chamberlayne of the Boston bar, for valued advice and coöperation.

THE AUTHOR.

MONUMENT BEACH, MASS., March, 1890.

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WHAT'S THE MATTER?

CHAPTER I.

"WELL, what's the matter now?"

The man who lifted up his voice to ask this question was a common looking mechanic of Rabham, a country village in New England, by the sea; and the reason of his rather abrupt inquiry was the thundering noise of a couple of drums which served as the bass to certain intermittent but energetic cheers, with a tendency to the treble. Rabham itself was a little busy Yankee town, and the exact locality of this question was the village grocery store, with its long rows of canned fruits and patent medicines looming out of darkness made visible by stray kerosene lamps hung to the store posts, and with plenty of sugar-barrels and shoe-boxes, where the men folk, in the evening when work was over, could disport themselves over their pipes or vile cigars, coming from some spot on earth where they never have a good one, and gossip about work, politics, and, sometimes, their neighbors. So at the question there was a sort of rustle, as if several were trying to shift from the hard side of their

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boards to the soft one, and there was another answering voice from somewhere out of the tobacco smoke, —

"Oh, that's the Republicans celebrating Harrison's election."

This information projected the company into a very animated and jubilant outburst of patriotism, and they harangued as they voted, for most of them happened to be Republicans.

"Didn't we give it to 'em this time?" "Didn't we tie their apron strings for them?" "Hurrah for our side!" were a very few of the encomiums which the company passed on their party and its success. One of the more godly sort ventured to give his opinion that Harrison's election was God's way of saving the nation from the Irish, and that Bible to the public schools which so many very seldom read in private.

The above conversation, if it could be called such where everybody was talking at the same moment, was now interrupted by the procession itself: the usual band and torchlights ahead; young men to show how proud they were of their victory and how much they had contributed to the same; the usual medley of boys on both sidewalks, hustling everybody on their way to the hall, where there were said to be crackers and cheese for the victors; a procession as brilliant and significant as every one like it, where the local candidate for the legislature pays the bills. In due time the store came back to its

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pipes and shoe-boxes. Stragglers from the hall where the torchlights were on their last legs, and the bread and cheese too, came in, and among them, Pat Maloney.

"By jabers, boys," said he, walking into the tobacco smoke, and taking to a shoe-box with the rest. "There's a big lockout at the foundry."

"Lockout, what!" cried several.

"Sure as blazes, boys; just when the procession was passin' I takes a squint at the big foundry door, and there I seen it writ, as clear as sunshine with a hole through it, on a bit o' paper, that the ould foundry's shut afther Sathurday next, till further notice. Divil a bit less, but I'm shure them's the very words."

Silence fell on the crowd in the tobacco smoke. Most of them were foundry-men and had families. Their bread and butter were at stake. They were out of work, and no work meant no bread or worse. The storekeeper pricked up his ears to listen, for the workmen bought of him, and could they pay if out of work all winter, to say nothing of the old scores? There seemed to be eager conversation going on in an undertone among the men, as if in consultation, until at last one of the elders on the edge of the smoke cloud put a plain question to a man in a slouched hat and top boots, who sat there on a sugar-barrel, a trifle apart from the others, smoking like the rest.

"What does all this mean, squire? What's the matter?"

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The man addressed as "squire" was Horace Freeman: — who needs but a few words to introduce him. He had been born here, and his family for generations had been in the iron business, in which they had made their fortune. He himself had been liberally educated and intended for the law; but after a few busy years in the metropolis, at his father's death he had come back to his native town and taken on him the trust care of several large estates. It was not his chief characteristic that he was rich, or an able business man, a far-sighted, clever lawyer, a man deeply learned in such historical studies as pleased him, though he was all this; but, considering his stock and position, he is noticeable for his very singular social habits and personal behavior. He had no airs about him; he dressed as plainly as the mechanic he hired, often more so; he knew everybody, and spoke in a bluff hearty way to them all; he liked the village store and the street corner at times, as much as he did his fine library at home; he knew, earlier than most, everything that went on in town, and was known to control almost everything in town affairs. popular, without a single intimate; hard in a business trade, with a soft heart for vagabonds and all distress; a contradictory man at the surface of his conduct; but, as every one knew, a very able man and apt to give good advice. So, when the question was put to him, everybody listened for the answer.

"What's the matter?" he said, repeating the

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question before answering. "What do you ask me that for? You don't want to know, and if I tell you you will only laugh at me and go your own way as usual. I know you; first-rate fellows most of you, when nobody crosses your sweet wills, but if any honest man tells you the plain truth in a plain way, and it doesn't happen to please your politics, you abuse him like a pickpocket. You call that free speech."

"But can't you stand some hard words, squire, when you know you are right?" asked Jim Stetson, the oldest foundry-man in the crowd.

"Certainly I can, when it pays. But I do object to stirring you up when it won't do any good but rather hurt. I am afraid I can't convert you."

"But what, squire, is the matter with the old foundry?"

"That's a long story. Perhaps you won't listen, and I won't speak unless you will; but if you will listen and keep quiet I don't mind telling you what the matter is. If you don't like what I say, that's your matter, not mine. Medicine is not always sweet, and the truth is not always agreeable."

"Go on, and give it to us, squire," said several.

"Well, then, I will, and use no soft words, either. I will call a spade a spade, whether it dig a grave or a post-hole. Now, then, most of you are Republicans. That procession was celebrating your victory. Your vote went with the winning side. You are proud that your party was the winning horse in the race.

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You say, perhaps you think, that you have voted for the interests of the country and your own. I know you are wrong. Every laboring man who voted this year for the Republicans voted against the poor man's table, against his babe's cradle, against his wife's comfort, against his own hearthstone, against his own roof-tree, against his own pluck, brain, bone, and sinew; yes, and against the present and future of man, and the United States to boot. It may have been a crime or a blunder; one thing it was and is, — a curse to every honest laborer in the land. Now, you took stock in that torchlight procession. If that band had played a dirge, and the torchlights put into crape, with a chaplain at the hall to say prayers for the dead, that procession would have meant the fact, to wit, that the election had been a calamity to the people, and killed a deal of comfort and happiness in the homes of men who toil, — in your homes, as you will find out. You helped do it. You hurt both yourselves and me. You didn't mean it, I confess; but whatever you meant, it hurts, all the same, all of us. I don't even blame you. 'The sin of ignorance God winks at,' the good Book says. Mr. Cleveland, who had rather be right than be president, was beaten, not by General Harrison, but by General Ignorance; and what I do blame you for is this, that you didn't look sharper and deeper below the surface of trade. I knew long ago what was hurting us, you didn't. No, all honest labor in the land has suffered a great disaster in the defeat of the

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Democratic party and its principles. Rabham has got to take its share of the losses. You and I are in the same boat. You ask me about the foundry. You know I have got my money and other folks' in there, and the other folks are often widows and orphans, who haven't had a dividend for the last two years, nor are likely to have for some time to come. It is hard enough for you, but don't forget that in all such closing of factories there are many others who often suffer bitterly, while you suppose they are rich. My grandfather built that foundry, and three generations of men have worked in it, and made money for themselves and the stock-owners. We have been losing money steadily for some five years now, while, as you know, many of our neighbors have shut up; and it was only late this afternoon that the stockholders voted to shut down here, and I put that notice on the mill door to-night in order to give you early warning, and I am not very happy over the outlook. The simple fact is that that foundry is shut up by the unequal and cruel laws of this nation, made, defended, and maintained by the Republican party, who have now a four-years' lease of power. By natural position, Pennsylvania has iron and coal almost at hand. She can, therefore, save a profit by this nearness, while we have to pay large freight on both coal and iron which we get from her. Let that State enjoy those natural advantages. But we also have a natural position of advantage. We are on the sea. Nova Scotia coal and

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iron are at hand. Cheap iron ore is to be had from Cuba, and old iron brought as ballast at a cheap rate can reach us from all quarters of the globe. There was a deal of old iron from the Suez ship canal that was used a few years ago in our own foundry. But now, then, the law steps in and takes away these, our natural advantages. It builds a wall against all this cheap coal and iron. It says, 'You shall not buy where it is cheapest, but where I say, at home, in Pennsylvania.' So Pennsylvania gets all the Lord gave her, and we get nothing which God or man has given us, but permission to pay her toll. I find no fault with the gifts of God, but I do complain that the law takes away our share of it. I make the rough estimate that we pay three dollars more than we ought for every two tons of iron, and somewhat less for every two tons of coal. Give me that saving, and I can keep the foundry going, and pay a dividend. The government takes the tax, and has closed my shop. Perhaps you call that fair play. I don't. Perhaps you call that being free and equal before the law. I don't. The glass factory in Sandham closed the other day because it could not make a dividend. Give it even the saving it would make had its coal been free, and it would have done so easily. My wonder is not that we have shut down here, but that we have managed to keep going so long.

"Now, you once get a thing going wrong, and, unless you reform, the wrong gets bigger every year,

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from bad to worse always. There is no standing still. Where this tariff now makes one disaster like ours, it will make ten if you let it work. For my part, I always believe in cutting out a cancer, as the patient's only hope; and our tariff is a cancer, and a big one to boot."

There was some commotion among the shoe-boxes, about this time, and a buzz in the smoke, as if somebody was getting angry. Whereupon emerged and stood forth a tall, sturdy foundry-man, Henry Farmer, whom his shopmates called "Hen" for short. Farmer was a good mechanic, and had free, honest blood in his veins. As the world went, he was an honest man. But he was ignorant and narrow, and once he got astride an idea it always ran away with him and landed him quite outside reason or common-sense. In his own way, he did a deal of thinking, only it was always upside down or wrong side up, and if there were handles to his argument he was sure to lay hold on the wrong one. He was a provokingly obstinate man. If it took one surgical operation to get a new idea into his head, it certainly took as many as two to get a bad one out. He talked a deal more than he knew, — but he talked on, and indeed was the usual spokesman for several of his shopmates, even for those who had better heads. His politics were Republican, and of that rabid sort which thinks its party holds all the virtues and its antagonists all the vice of the land. So, at the squire's last outburst of

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accusation, "Hen" opened his mouth in his usual way: —

"That's false — don't you forget it. What are we here for but to make a living, and how can we make a living if those darned fellers across the water — them pauper laborers, send over their goods here and undersell us? Hard times enough now to get a living, but it's nothing to what we should have if everybody brought in here everything folks wanted, and leave other folks to starve or go to the poorhouse. No. Protection is good enough for me, boys. We must have it; we shall go to ruin if we don't have it. This talk of yourn, squire, is all nonsense. You are one of them darnation free traders that wants England to come in and clean us out."

"Never you mind what I am, Farmer, but what I say," replied the squire. "I have minded what you say and don't call you names, because I happen to know you are wrong. You have got everything mixed up as usual, — a grain of truth in a bushel of error, and I am not just now hired by any missionary society to preach to you. I wish you a better mind, by which I mean I wish you would get hold of a few facts before you try to lead your neighbors on the wrong track. I don't care a straw to keep on with this conversation. Some of you asked me to speak, and I have spoken. What you call protection is either a good thing or a bad thing. If good, we all want it; if bad, all ought to set their

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faces against it. I say it is bad — root, branch, and fruit. I say it is a curse, a robbery. As slavery was said to be the sum of all villanies, so I say the American tariff is the sum of all mendacity; and if you give me a chance I will prove it."

"Prove it!" shouted half a dozen excited voices.

The squire meditated. "You can't expect me to undertake the job to-night," he said finally. "But I'll tell you what. Meet me to-morrow evening, seven sharp, in the moulding-room of the foundry, and I'll make my words good or get out. Let every man come who likes, and let him say his say and make it good if he can. I'll be there."

So in their own way and time the men went home. A few went down to read with their own eyes the ominous announcement on the foundry-door. Pat Maloney, who had been smoking his black "dudeen" all the evening, with his eyes wide open at the squire, when speaking, gave, while going out, his ideas of protection, as he had imbibed them with his marital experiences.

"By jabers, it's pertection that's a jewel. If all the blissed saints would only pertect me from me wife's tongue o' nights when I come in late from me mug o' beer, and all the foin fellows at me inn in Pig Lane! Sure, pertection's my man, me boys."

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CHAPTER II.

THERE was a crowd at the foundry the next night, and on time. The foundry was a large, rambling structure, built long ago into a hillside with its west end butting out on the marsh, and stood a little out of the village, under a grove of pitch-pine trees on the sand-hill above. To-night, as Horace Freeman came in to find the crowd seated on the moulding-flasks round the main furnace, where they had gathered for warmth, the few scattered lights about gave a dim, if not a religious, light to the place, and the huge openwork beams of the roof cast their stout shadows almost everywhere.

"Now, my friends," said Mr. Freeman, as he took his place among the crowd, in a chair some one had set for him, "here we are face to face to discuss the question of our bread and butter. As we have no chairman, we all of us must help keep some sort of order. It's no use talking tariff or anything else under the sun, all in a jumble, 'all heads and points' as we say, like a bushel of pins emptied into a peck measure. I want any man who likes to break in upon me when it suits his convenience, or he thinks he has got me. But I think that a fellow

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who talks, with nothing to say, ought to be put in a jug and the stopple pounded in after him. This country would be a great sight better off if half the politicians were treated that way, to give the working-men and all of us a rest. I see some of you have brought your dogs with you. If you let them quarrel in the dark there behind the furnace, I will have them all turned out. Yet your very dogs have the bones they eat cursed by this very tariff that, as I say, curses you. They get fewer bones, because, at high prices, their master and his family must eat more soup-meat and simmer the bones for their soup. So, while they can't vote and won't attend to me, let them stay as fellow-sufferers with us all.

"Now, then, to business. I am a neighbor of yours. You know me. Now tell me what axe you think I have got to grind. I have enough to eat and wear, with a house over my head. I was never in politics and never shall be. What do I want then? Simply fair play for myself and you;—which this tariff denies me; for you, because I know that if you don't get it I can't. Perhaps you think I am making haste slowly. So I am. When any one of you buys a piece of wild land for a house-lot, the first thing you do is to grub out the roots and stumps in order to lay a solid foundation. I am now going to do a little clearing up. Now what is the tariff? A tariff is a tax levied on certain imports into this country by the Government at Wash-

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ington, just as exactly and truly as the selectmen of Rabham levy every year a town-tax on you. Now just tell me this: do you long to pay your town-tax? do you dote on paying it? If you do, why not keep on paying it every week over and over and become as rich as a Vanderbilt doing it? No! every sane man knows that his tax is so much clean money gone out of his pocket, and he wants his tax as small as possible. In our town-meeting you are always talking about keeping town-taxes down, and grumbling at the assessors if they put one dollar more on your tax-bill. You pay those taxes because you get a return for them in almshouses, schools, highways, and the general police of the town. But all the same your town-taxes cost you their face value, and if you could have all these town advantages without your tax, you would think yourselves so much in, and so you would be. But now suppose you are compelled to pay these town-taxes and yet get nothing back from them, what would you do then? You would kick out your selectmen; curse the whole business; shoot the sheriff who came to sell you out; try to change the law, and if it must be war, revolution, you would betake yourselves to the fields and highways, as your fathers did against British taxation and tyranny, lugging your shotguns or rifles with you, and fight. You would say, 'We are born free, and we mean to stay so. For any government to take our money and give us nothing for it, is a steal, it is tyranny, and the men who sub-

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mit to the oppression are slaves — American white slaves to boot.' But suppose that the Government took your taxes, your property, and not only gave you nothing back, but used that very money to injure your business and take away your comforts and the happiness of your families."

"A blamed Secessioner; oughter go out of the Union and join the rebs," remarked "Hen" Farmer to his next neighbor on the plank which a row of men were occupying.

"Not a bit, Farmer," rejoined Freeman, who had overheard the remark. "Of all men, the most dangerous and wicked man is he who, in a land like this where the people make the laws, advises and assists in breaking the law or using armed violence against it, even when the law is an unjust one. For, unjust or no, that law is the will of a majority of the people, and to strike the law is to smite your own face, as one of that people which makes laws and obeys them until the majority changes. He is the worst enemy of the people who advises violence against a wrong in order to come at their rights. Free speech, free discussion, free thought, free ballots, free men, will in the long run see that right is done. Now men like me say that our tariff, that is our tax, does this very thing. So far as the protection in it goes, it takes away our money and gives us nothing in return, and worse than that it takes our money and so spends it that it cripples all our American industries by which we might make more money to pay

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our taxes and other bills and to come home — shuts down this foundry where you have been used to earn your bread. I only assert this now, but I will prove it by and by."

"Do you mean to say, squire, that we are all such fools hereabouts that we are robbed this way and yet don't know it?" said an elderly man in the crowd, who happened to be a carpenter, and had come in with the others.

"Leaving the 'fool' business out, for I mean all through to attack things, not men, that's exactly the size of the whole business. You are robbed and you don't know it, nor the why nor the how of it. I firmly believe that if the tax gatherer came boldly to you and demanded all the tax which each of you actually, but in an indirect way, pays every year, not to the Government, but to certain of your fellow citizens who are smarter than you are and so have got the inside track, the whole tariff question would be settled in any three months, and settled that this tariff should go out as the biggest robber, with a face of the most shameless brass, that ever was. Now what difference does it make to my pocket whether a highwayman with a bludgeon takes a hundred dollars from me, or some sneak, from behind a wall, takes a hundred dollars out of my pocket with a suction hose? For myself, and I think you would agree with me after thinking it over, I would prefer the highwayman as a plain villain. The suction hose was a trick, and we got taken in. The political

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economists call the suction-hose business indirect taxation, which is always most liable to abuse because it is indirect and hidden, while you can see and examine a direct tax when the bill comes in. Let me give you an example. A gas company puts gas into a block of stores and charges the owner a round sum which he pays the company. So far he is out say one or three thousand dollars, as the case may be. What does he do? He adds interest on this one or three thousand dollars to the rent of this block of stores, dividing it up among his tenants, let us say in a fair proportion. Now if the store owner gets his rents on this new basis, as he generally does, who has really paid for putting in the gas? The consumer, of course, and every time. That is an indirect tax paid for a direct advantage. The same is true of water. A landlord puts water into his block of tenement houses. He pays the water board the cost, and then turns round and raises his tenants' rents who consume the water and pay for it, in many cases overpay for it, since the landlord is sharp enough to leave for himself a margin and save him from a poorer per cent investment in his houses than there was before the water was put in. An indirect tax, but a real one, and the consumer pays it."

"But you didn't raise the rent on us when you put in water last year, squire," interrupted one of the crowd.

"No, I didn't, because I have a few bowels of compassion still left, after being cursed these

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twenty years by this tariff. I thought you had taxes enough to pay already, and so I paid the bills myself. But that's not business. It is an exception which only proves the rule that the consumer pays the tax, municipal, state, and national. And I want to say just here, that there is hardly any rule or law rightly laid down or possible to be laid down in this tariff business to which there are not one or several exceptions. But if the rule be true, the exception, when examined, only proves it. Don't forget this, because the protectionist has a general habit, when a tariff reformer hits him with a hard fact or law, to answer by bringing out the exception, and some men never take the pains to discriminate between the law and the exception, and so the exception goes for law. It is a way some folks with a bad case manage. Now I am not sorry I paid those bills myself. The fact is, that in late years I have seen the laboring classes so plundered and defrauded by all sorts of people, especially politicians in the pay of monopolists, that I would rather lose my right hand than have it lay a burden on their heavy pack, or one straw in their way which is hard enough at the best, as times go. Talk of taxation by tyrants! There never was such taxation as we have. I saw, last election day at the polls, a hundred men, who by the law of this State (and I am happy to say that few other States follow this bad custom), men who never earn over three hundred dollars a year, out of which they must

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keep themselves and families, — were yet compelled to pay each two dollars poll-tax before they were allowed to vote. And the meanest of all falsehoods that any man can concoct is to say of these men, as they do, that if a man doesn't think enough of his franchise to pay two dollars tax for his privilege, and so help support the Government, it is no hardship to him, and he ought to be refused his vote. Now just look at it. Every man of them, as he came to the polls, was covered all over with taxes which he had already paid, on boots, hat, cap, shirt, flannels, coat, breeches, buttons, suspenders — everything except his very flesh and blood and skull, which he was using every day to help pay these very taxes, one-third of his time as it is computed; and at the polls they 'protected' him as an American citizen, two dollars more out of his pocket. Think of it, men!"

There was a pause just here. For two dogs had just got by the ears, and were tumbling about in the black heap of moulding-sand by the furnace, so that a big dust-cloud obscured the gas and the company. After they had been put out, as had been promised, the speaker went on.

"I have already said that the tariff is a tax and the consumer pays it. I want now to give you a little history of the American tariff that you may better see how things are. Our first tariff was passed in 1789, our last one in 1883. There have been fifty-five tariff acts in these ninety-four years.

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Most of these acts did not make radical changes. Those which did are eight, and are named as follows: Hamilton Tariff, 1789; Calhoun Tariff, 1816; Clay Tariff, 1824; Abominations Tariff, 1828; Compromise Tariff, 1833; Whig Tariff, 1842; Walker Tariff, 1846; Morrill Tariff, 1861. 'The Abominations Tariff' was so called because its enemies in Congress had so loaded it down with absurd and wicked amendments that they thought it would never pass. But it did all the same, and is 'mercy, truth, righteousness,' and all the virtues when compared with the present tariff we are living under. The tariff tax rose from 15 per cent in 1791 to 69 per cent in 1813; sunk to 6 per cent in 1815, then rose to 27 per cent in 1816; and so kept on rising and falling at intervals until it reached its highest in 1868 as 48.63 per cent. It is to-day 47.10.[1] Washington never saw a tariff tax as high as 20 per cent. Mr. Mills's proposed bill, on which the Democratic party stood in the late election and has just been beaten, left the tariff tax just 42.49, or more than double the tax in Washington's day. But then you know we did not have so pure or so wise patriots in Congress then as now; wise because some of them know enough to go to Washington poor and come back rich; pure, because when they are about to pass some big 'job' in Congress, the country is flooded with congressional patriotism in the shape of printed speeches which nobody ever heard, and very few read when printed. Now, con-

[1] See note, p. 223.

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sidering all the circumstances, I have a great respect, and even good will, for our old statesmen and their modest tariff bills, and many of the arguments which they made in support of them. They said: 'We have just come out of a long and expensive war; we are in debt; the nation has no credit, and hardly money enough to pay the most necessary daily expenses of carrying on Government; we are only three millions, scattered over a wide and sparsely populated country; we have little experience in manufactures; capital is not organized, and there is not much of it anyhow. First of all, we must establish the credit of the national government and pay our bills, exercising the greatest caution in contracting debts, and the greatest economy in spending the people's money. To do this the nation must have a fixed and adequate income, and the best way to get it is by a tax or tariff on imports, as all other nations do.' So far forth they stood on the same ground that the Democratic party does to-day and always has, — which Mr. Cleveland has so clearly explained in his messages — a tariff for revenue only. But our old statesmen went a step farther in their explanations. They said: 'Our enemy in war has been England. Our enemy in peace is England. England undertook to destroy our manufactures and so brought on war. Now she will undertake to destroy our manufactures by underselling us in our home market. She has experience, skilled mechanics, capital, population,

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and we have not; she shows her enmity towards us every way. Let us then keep out English goods by taxing them and let our own people get a start.' That was their idea of protection. I confess there was a deal of truth and much practical necessity in it; it certainly looks plausible. Anyway, that is what they did. A young plant needs care in a cornfield or anywhere else. But their argument only applies to our tariff as the circumstances then and now are the same. Are they not almost utterly different? We are sixty millions,—a nation, rich, experienced, organized, grown up, and they were as I have said."

There was another interruption here, and from Pat Maloney, whose Irish blood was stirred up when the name of England was mentioned.

"Ah, your honor, it's ould England, the beast, that's always kilt ould Ireland intirely. To the divil wid her!"

"That's true, Pat," said Mr. Freeman, "only you must put a grain of salt to it to make it all right. The English aristocracy, the English landlords, the English protectionists, the English governing classes, in the old days, stripped and vexed both nations, America and Ireland, and by doing so lost the one and still have a hope that they may save the other. The English people have never been the enemy of either of us, and are now more our friends than ever. Protection, not free-trade England, destroyed Irish industries by a law in the reign of

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William and Mary, in 1698, one hundred and fifty years before there was any free trade. No, Pat; protection never had any pity and very little shame, and never will.

"But to continue. What may be called the Henry Clay doctrine of protection came in later in that statesman's day, and took generally the old line of argument, but with some additions. It said: 'Our manufactures are in their infancy. Keep out foreign goods until our factories can compete with English factories. Thus you will build up American manufactures and so multiply them that by home competition our goods will go down in price below what they were at the start, until the consumers, that is, you the people, by getting these reduced prices will get back more than the extra money you paid the manufacturers to help them to keep on. Otherwise, foreign competition, backed by foreign cheap labor, will undersell our manufacturers until they go bankrupt; and when the foreigner comes into control of the American home market he charges what he likes.' There was also something said of our making ourselves independent of foreign nations, especially in time of war, like that old exploded humbug and spook, the war-cry of the English aristocracy, 'England for English workmen and English goods,' ten thousand times dinned into English ears until the common sense of the English people, led by such men as Bright and Cobden, drove out all this nonsense with the

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new war-cry, 'England, man and money, for herself, because she will trade free with the whole world.' And England to-day shows that the people were right.

"Mr. Clay estimated that it would take from six to nine years for these infants, these manufactures, to grow up so as to take care of themselves. At least sixty years, in some cases an hundred years, have passed, and not a mother's son of them, as the protectionist holds, has yet grown up. They never will. They never mean to. So long as their pap is made by tariff laws out of the people's money, they intend to suck. They don't propose to be weaned. I say, take away their pap, whether they make a wry face or not, and let them earn their own pap as all honest men do, and they will be the better and stronger for it. As things are at present, these infants are going to multiply on our hands. Every fellow who starts a new business, an unreasonable, and, so to speak, an impossible business, like raising hot-house bananas in Vermont, wants protection, of course, against the cheap, pauper bananas of the West Indies and South America, by a high tariff tax against them, — which means that he wants you who buy bananas to pay him for running his absurd business. If he got his 'protection' it might be a good thing for Vermont, by bringing in new workmen, new property to be taxed by the State and town, just exactly as it often helps a neighborhood to have a lunatic asylum or a prison

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come to it. But who pays the bills for all this, and how much profit is there to the Commonwealth in a lunatic asylum or any such houses? Any enterprise under the sun can make a dividend for somebody if fools enough can be found to pay the bills and support it like any other pauper. No; any enterprise which is reasonable can get on in this land on its own merits, if wisely managed, and if it cannot, I say it is plain truth that it ought not. The people ought not to be made pack-horses to bear all the asininity of absurd ventures, and I say, let all such futile and costly infants be gathered to their fathers, with this inscription on their tombstones: 'Here lie the American infants who ought never to have been born.'

"That the Henry Clay theory failed to satisfy the country is plain, from the fact that his tariff was very soon and very materially changed, so that when our Civil War began, in 1861, we had had from 1841 a very low tariff, beginning with some 25 per cent tax, and ending in 1861 with the lowest tariff since 1818, — an average tax of not quite 19 per cent. Then the war forced the nation, in preserving the Union, to spend, not millions, but billions of money; sums that no man can imagine or comprehend. Yet this nation, as the Democratic party, and, indeed, all good citizens have always held, must pay its debts and maintain its credit. So every patriotic man agreed that everybody should be taxed, and taxed upon almost everything. There never

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was a tax so enormous as the Morrill Tariff. That is the tariff which now is, and which the Democratic party have just tried to lower in the interests of the people who pay the tax. It was like an atmosphere, enveloping the people with extra cost in living. 'We live, move, and almost have our being' in this tax atmosphere. Now I agreed then and I say now, that all this taxation was necessary, and so did the Democratic party. Everybody knew and everybody said that all this taxation was a temporary measure, and that when our war debt was paid, or largely paid, most of these taxes should cease. Mr. Morrill said so.[1] Now I say, and here I make my first specific charge against this tariff robbery, that to-day it stands for a broken contract which the Republican party, which was in power when the bill was passed, made with this nation, and which it now refuses to fulfill, to wit, that this war tariff, when the war was over and our debt was reduced within manageable dimensions, should cease, and a more moderate one take its place. They have never done it, nor tried to do it. Nor will they; nor, under the baleful and misguiding charlatanism of bad leadership, controlled by the great monopolies of the land, can they. In spite of the warnings of their own great leaders like Lincoln, Garfield, Arthur, McCullough, Folger (the last two being Republican ex-secretaries of the treasury), they have followed their blind guides until they have all fallen into a ditch from which they cannot soon crawl out.[2]

[1] See speeches of May 8, 1860, and June 2, 1864.
[2] See note, p. 225.

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"The Republican party, then, now occupies, in some respects, a new position on the tariff question; or, at the very least, emphasizes the old positions of protectionists, so called, by exaggerating, distorting, and burlesquing them. It has all the old cant about 'infant industries,' 'America for Americans,' the dangers from 'pauper labor abroad,' and actually shrieks for 'protection' to the laboring people against foreign goods. Its only gospel is protection, and what it lacks in truth it makes up in brass. It intends to keep the present tariff forever, and, if it revise it at all, to revise it by raising it. I know very well that, under Republican administrations, certain of the war taxes have been taken off, — three hundred million dollars a year, at the very least. But how and why? Let me tell you. During the war all manufacturers, business men, men with incomes, — in fact, everybody who had anything to tax, were taxed on all their business transactions, and this was a part of 'the internal revenue,' so called. The Government said to the business men, and especially to the manufacturers, 'We are now taxing your business heavily, and we ought to protect your business stoutly in order that you may stand the strain which the internal revenue makes on you. We have given you, therefore, a high protection against your foreign competitors.' Now then, what taxes were taken off after the war? The internal revenue taxes from the manufacturers. Were the high taxes with which the tariff 'pro-

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tected' them — taxes paid, too, by every man who bought their wares — taken off? Not much. What was sauce for the goose was not, in this case, sauce for the gander, and never will be so long as the Republican party is in power. The manufacturers got rid of their war taxes; you haven't. That's what's the matter, partly. Let me give a few figures.

"The income tax ($72,000,000) was taken off from 460,170 persons, with a net annual income of $707,000,000, while the rest of us had only income enough to support us. The internal tax on our home manufactures in 1866, $127,000,000, was taken off, and the manufacturers held on to all the millions of tariff taxes, which went to their pockets. The taxes on corporations, banks, railroads, and the like, were taken off, millions or more from the rich, and the common people forgotten. To sum up, in another man's words which I will read from this scrap of paper, the fact about this discrimination in favor of the few and against the many, 'Was the tax of 3 per cent on the domestic blanket, paid by the manufacturer, more oppressive than the tax of 79 per cent on both foreign and domestic blankets, paid by the people? Was the tax of 3 per cent on a wool hat, paid by the manufacturer, more oppressive than the tax of 73 per cent, paid by the consumer? Was the tax of 3 per cent on women's and children's clothing more oppressive than the tax of 82 per cent on the same articles which the consumer paid for? Was a tax of 3 per cent on the corporations more oppressive than an 88 per cent

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tax on woollen shawls? Was a 3 per cent tax on incomes more oppressive than an 80 per cent tax on a woollen shirt? Gentlemen claim that they have reduced taxes $360,000,000, and point to the splendid column which they have erected; but that column has no stone in it to tell of their devotion to the masses who live by daily toil. It is built of blocks of marble, every one of which speaks of favoritism to the wealthy, of special privileges to rich and powerful classes. In 1883 they finished the magnificent shaft which they have been for years erecting, and crowned it with the last stone by repealing the internal tax on playing cards, and putting a 20 per cent tax on the Bible.'

"Now, my friends, I have tried to give you as honest a history as I could of all our tariffs since 1789, including the present one, in order that you may see how things have been going on in a tariff way since the founding of our Government. I think I can vouch for the facts, and my comments on them you can weigh for yourselves. Perhaps you think I haven't got on very far, but if you choose to come to-morrow evening, I will go on. I wish you all good-night."

As the men were going out, Henry Farmer emerged from the black darkness of the melting furnace with a particular roll to his gait, as if he was trying to move just one half of his body, while the other stood still, — a loping way he always assumed when he was greatly stirred up about anything; and as he

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came to where Mr. Freeman was, halted with his hands in his breeches pockets, and a jerk to his head and "went for him."

"Now, squire, it's mighty curious that a man like you should talk so. If it hadn't been for old Cleveland we shouldn't have heard no sich stuff about this here tariff, that's good enough for me, nor this shut-up in this here foundry. People are scared to death by this free trade, and old Cleveland's to blame for it; but what would you expect of a feller who vetoed the poor soldiers' pension bill? Poor stuff!"

"Wrong as usual, you are, Farmer," replied Mr. Freeman. "Just hold on a bit. You certainly won't say that this foundry is to be shut up because Mr. Cleveland wasn't elected, though a good many Republican manufacturers tried to bulldoze their help about election time by telling them that their factories would be closed if he was elected. The meanest of these fellows, — and I say that all such people who interfere in this way in a national election ought by statute law to be sent to a felon's cell for the intimidation, — after the Republican victory, cut down his workmen's wages, and when they struck against him, called on the police of the city of New York to protect him and his factory against the men and women lately in his employ whom he had first tried to frighten, and then to skin. But let that go. You were a soldier in the late war, weren't you?"

"Yes, I was."

"And, as a soldier, do you think it quite the thing

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to call a man who has been for the last four years, as President, commander-in-chief of the army in which you served, 'old Cleveland'? You needn't answer that, which is a little matter, but I understand you to blame Mr. Cleveland for his vetoes of certain pension bills."

"Yes, I do, and the boys do, and we went agin him for it."

"Do you know anything about the soldiers' pension bills he vetoed?"

"Know? why, in course I know; he was all wrong, and that's what's the matter with him."

"Now, then, let me tell you. If you are an honest man, as I think you are, a good citizen, as I am sure you mean to be, if you knew the facts you would honor Mr. Cleveland for those very vetoes. For, see; when he came into office, the annual pension roll under the Republican administration was about $38,000,000. In 1887, when he had still more than a year to serve, that roll had risen to not quite $53,000,000. Since his election he has approved over thirteen hundred private pension acts, while but about fifteen hundred such acts were passed for the entire twenty-four years the Republican party was in power, so that Mr. Cleveland has approved almost as many pension acts as all the Republican Presidents from Lincoln to Arthur.[1] It is perfectly true that he vetoed what is known as the Dependant Pension Bill with the approval of the best men and papers of both parties;

[1] See note, p. 230.

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among them General Quay, now chairman of the Republican National Committee and senator-elect from Pennsylvania, himself a soldier, who said, 'That veto message is the best thing President Cleveland has put his hand to, and if I were in the Senate I would vote to sustain him. There is not a man in my Grand Army Post in favor of that bill.' Now as to his vetoes of private pension bills, that is, bills in favor of individuals, he vetoed one hundred and ninety-nine of them. And why not? Of these claims, over ninety had been before rejected by the Pension Bureau under Republican administrations. These bills are passed by Congress in a hurry. On one occasion in the Senate in a session of seventy minutes one hundred and forty-seven of these pension bills have been passed, or more than two a minute. Both Houses of Congress depend on their committees to examine and introduce all such bills, and, when introduced, are usually passed as a matter of course. The President took time and examined these bills before signing them, and so saved the country and the true soldiers themselves from imposition. The best proof of that is that not one of these one hundred and ninety-nine bills was ever passed over his veto. In fact there is no act of Mr. Cleveland's administration more creditable to his manliness than these very vetoes. All he had to do was to keep quiet and let the people's treasury be plundered, and I think the campaign lies about them were the most contemptible of all. What he

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did was to do his duty, and men like you growl at him for doing it. Every sort of fraud conceivable was in those bills; bills for deserters and men who had actually enlisted and fought in the Confederate army; men killed in street brawls; men who drank themselves to death; men who committed suicide; men claiming all sorts of hurt and disease contracted in the war; men who had never been in the war; all of them, through their heirs or claim agents, clamoring for a pension. One of these men was discharged from the hospital in 1863, and his discharge certificate states that he 'is worthless, fat, imbecile, lazy, totally unfitted for the Invalid Corps or for any other military duty.' Twenty years after, he claims a pension for rheumatism contracted in the service, Congress passes it somehow, and Mr. Cleveland vetoes it, to get cursed by men like you for doing the duty he swore to do and was set to do as President of the United States. I have gone into this matter with you because, while it is not a tariff matter, it seems to show how the people's taxes are grabbed at in Washington; how extravagantly they are often squandered on such poor sticks as this man was, and how necessary a watchful and honest President is with an honest economic party behind him to spend those taxes which, however they may have been wrung from them, should certainly be spent in a business-like and honest way in the interest of the men who pay them. By the way, Farmer, I think you get a pension."

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"Yes, a small one."

"And where does it come from?"

"From the people at Washington."

"And where do they get it? not out of their own pockets, I suppose."

"No, out of the treasury."

"But who puts this sixty or eighty millions of dollars into the treasury?"

"I suppose they who must — folks that ought to."

"Yes, the taxpayers.

"Now, did it never strike you, Farmer, that you soldiers who get these pensions out of our taxes, and deserve them I grant, ought to be the last men in the world to befriend any job or steal that plunders the men who help feed you? And did you never think that because the army roll is a roll of honor, that base men should never go on it; that to put them on it is to dishonor the men who belong on it?"

"Well, I never exactly thought about it."

As they went out together, Mr. Freeman said, —

"What, Farmer, did you fight for, anyhow, when you were under the old flag?"

"For the Union of course — for the country."

"And you fought for the Union, perhaps, that the people of the country in your day and in generations after us all, might be free and equal before the law; might raise families, make money, and enjoy themselves?"

"Something like that, squire, yes."

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"Well, now, perhaps you would agree that any laws or institutions which enslaved and degraded men, which made unhappiness and poverty, in a word, which took away our American birthright from us, so far as they went, upset all you soldiers tried to set up, worked against you, in one word, beat you?"

"Perhaps so."

"Now I put it to you soldiers. So far as the American tariff takes away equal rights from any man, makes one man help pay for carrying on another man's business, takes away the people's comfort, just so far it takes away the fruits of our free Government which you fought to maintain. I say this tariff does exactly that."

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CHAPTER III.

NEXT evening Mr. Freeman found the crowd gathered about Henry Farmer at a gaslight, reading aloud out of the village newspaper which had come out that afternoon. Farmer, apparently, had but just begun, and stopped as soon as he saw the squire. The latter said, —

"What's up now, men?"

"Oh, it's politics as usual," said one, "and all about this old foundry."

"Then by all means go on," said the squire; "never spoil a story for relations' sake. Let's have it."

So Farmer began at the beginning and read. It was an editorial for which the shutting down of the foundry served as a text, and contained the usual protection arguments about "infant industries," "protection to American wages," "foreign pauper labor," all winding up with an appeal to the mechanics of Rabham to stand by their families and their country even if the heavens fell, though the writer failed to state exactly what would become of "the dear old tariff" when all other things had passed away. Indeed it was an appeal so hot that it would make almost any protectionist red in the face reading it.

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The gist was, that the American tariff was to be entirely let alone, as a continental blessing and the hope of the American world, as if it were a sort of sacred Grand Llama in Thibet, or as holy as would be the tombs of all the prophets who have been since the world began. The article concluded by a reference to the foundry meetings, and the expression of a hope that the men of Rabham would not be misled by a man who was a Democrat. Farmer read it all, only stumbling over some of the big words, when the crowd assisted him; and when he ended all eyes were turned on the squire, who stood bent forward with his hands in his pockets, listening. When he righted himself, his first word was a clear, big, long whistle, that went clambering up and on in among the sooty rafters. Then he said, —

"I like that, now; that's plucky, that's brassy; that looks as though the man meant business. The editor is, of course, infallible in types and knows everything except the facts. Do you know, my friends, what a toy kaleidoscope for children is? It's a glass box with a handle to it, and inside the box innumerable small bits of colored glass which, as you turn the handle, fall into all sorts of combinations which never look or are exactly twice alike. Now the protection argument is exactly like that toy, brilliant colors, yet only bits of broken glass jumbled in a heap. You might as soon expect these bits of glass to fall into the shape of a Chinese pagoda, or the cap of Liberty, as to expect that any

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argument for protection can have much logic in it or will stick together. You can't build with it. It's not in the thing. It's born absurd, and you can't hide from any clear-headed man, who honestly wishes for the truth, its birthmark. Now, I'm not going to answer this young man's argument, because that's too small game to fire at; but I'm going for his masters, and ours too, I mean the monopolists who are all to a man protectionists. When he is older I hope he will know better. But he pays me one compliment which I wish to thank him for. He says I am a Democrat, and so I am."

"You were a Republican in the war, weren't you, squire?" asked Farmer.

"Certainly I was."

"And isn't that a 'cussed turncoat'?"

"Not at all. A turncoat is one who turns his coat to conceal who he is, like a coward. But if I wear my own coat, and go openly from one camp to the other, I may be a deserter, but I do not turn my coat. My coat, my coat-of-arms, is my country. In the war I thought my country, her interests and her union, went with the Republicans. So I went too. Under like circumstances I would do the same to-morrow. The interests of the country, ever since the war, have gone with the Democratic party. So I go with them, as do nearly all the old Republicans here in the East who made the Republican party. I do not know how it may be in the West. The Republican party here is like a potato, the best part under

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ground. I believe that, as the two parties are to-day, if Abraham Lincoln, Charles Sumner, John A. Andrew, and all such representative men were alive, they would be in the Democratic party. Why? Because the Democratic party now stands for the prosperity and happiness of the United States, and the other fellows don't."

"How's that for high, for a muggerwump?" ejaculated Henry Farmer.

"High or low, it's common sense and common honesty and good citizenship, all the same. I don't say you should change your party every time it does something you don't like, or nominates a poor stick for office. Parties have their uses, and must be; but they are only organizations, — means to an end, the service of country, by which men may carry on public affairs; and every man's first duty is to his country, and only to his party for his country. So when a man's country stands on one side, and his party on the other side, and he does not go with his country, he commits high treason against the nation. It comes with a very bad grace, either from an American or a Republican, to sneer at the Independents in politics. Who was it made the Declaration of Independence, and whose Fourth of July is it when they read it in great assemblages of free men, every year? Why, ours, of course. The Republican party itself was born of the old Whig party, and killed its mother in childbirth. A Democrat, made so by his intelligence and his conscience, you can trust every time.

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Some of the others you can sometimes buy, in the year we elect a president, especially if there is plenty of 'soap' or 'fat' in their enemies' campaign strong-box.

"So much for all that. I have before, as you remember, explained to you that the tariff is a tax, and an indirect tax; and I have explained what an indirect tax is by showing you what the landlord does when he puts in gas or water for his tenants, and how the consumer pays all such taxes. I have also shown you the general arguments of the protectionists. I am now about to show you how these same men have set up and arranged our tariff for protection to please themselves. Before I do so I am going back to the question as to who pays the tariff taxes, because it has been a favorite mis-statement of these gentlemen that the foreign manufacturer does; or, as one of the most powerful of the many tariff leagues puts it, 'The tariff is a license which the foreigner pays America for using its markets.' That is simply not so. Yet this untruth is one of their outpost riflepits, which they have dug to keep tariff reformers from getting into their camp. Now, let me fill up that hole. What is the fact? A foreigner sends, let us say, some cloth here. At the custom house he or his agent pays the tariff tax, and that goes into the treasury at Washington. Then he adds that tax to the cost of the goods, and caps it with his profit, including interest on the money paid for the tax, and then charges the man who buys his cloth the

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whole sum. Now, the foreigner's money is in Washington, but it is paid back to him by the consumer, very much as one express company pays the back dues of another on a package, and collects the whole amount of the man to whom that package is consigned. That is the way business is done, and if you don't believe it, ask any honest importer in the land. I know there are exceptions to it, which, as I have told you before, only prove the rule. A man may send goods here, and pass them through the custom house, and they may be burnt next day without insurance, in which case the foreigner does pay all the tariff tax and all those goods cost him, unless he go insolvent; or he may import the goods and give them away, but that is not business, it is charity; or he may make a mistake and lose 75 per cent of his whole venture. In that case he is certainly out of pocket the tariff tax and more, but that is bad business, and he is not apt to repeat it. If he knows it, he doesn't mean to sell goods to Yankees unless he profits by it. Trade between two men or two nations is not a jug with the handle all on one side, but a jug with two handles, and if either party to trade misses his handle he smashes the jug. Remember this, because when I come to show you what pack-horses the American people are made under their tariff load of taxes, some of you Republicans may wince, and try to escape the logic. The consumer pays the tariff tax on what he consumes, unless he steals it, or finds it, or lives in an almshouse.

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"Now, then, we have a so called protective tariff in the United States which the protectionists have made to carry out their ideas. There can only be three kinds of tariff: 1. A tariff for revenue only. 2. A tariff for revenue with incidental protection. 3. A tariff for protection as its main business. Let me take the last first. I suppose that the tariffs of Germany, France, the United States, and every other so-called 'protected' nation come under this head. And it is this kind of tariff now and here that I shall examine as to its operation and results. Now if protection be a good thing it is hard to see how we can have too much of it, and that would be the wisest tariff which kept out the most or kept out all. In fact the only things absolutely forbidden by the American tariff as at present made up are counterfeit money, obscene pictures, and foreign-built ships. The ships are apparently the only one of the three that conform to the law. Assuming that such a tariff existed, all foreign goods are kept out and the Government gets not one cent of revenue, since tariff taxes to the Government are never paid on what is kept out but only on what comes in, or, as somebody puts it, 'revenue ends where protection begins.' I am sure that no civilized nation could live under such a tariff, though it might do for a South Sea Islander who was content with his yams and his bamboo hut and had never seen a ship or a civilized jack-knife. Yet some extreme protectionists have believed in such a tariff. The late

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Henry G. Carey of Philadelphia, the ablest American writer on the side of protection, said that it would be better for the United States if the ocean were a sea of fire to keep away all foreign importations. Horace Greeley has said that under certain conditions of trade the smoke of a locomotive was the black flag of a pirate bent on destroying civilization. These are usually the kind of men who think that a new labor-saving machine in any useful art is a curse to the laborer, while the history of labor shows that every such invention is a blessing. Perhaps the easiest way to test such a theory would be to try it on for a month or so, and begin with killing every locomotive in the land and leave transportation to the carters who would certainly for a time have plenty to do. I am not sure but the logic of the protection argument would drive a logical protectionist to that.

"Then there is (1) a tariff for revenue only. This is the theory and always has been of the Democratic party. It is also the theory on which Great Britain collects her revenue. She taxes only six articles or classes of articles, none of which, it is assumed, are produced at home: viz., cocoa, tea, chiccory, dried fruits, tobacco, and wine. The other duties are imposed to offset the internal revenue tax on certain British industries and give them a fair show, and are put on such imports as distilled liquors, malt liquors, gold and silver plate, playing cards, etc. In other words she lets 'every tub stand on its own bottom

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and do its own coopering.' This is what free trade means as applied to England, a people with a tariff and with tariff taxes, but arranged on a different basis from what ours is, for instance. There is no absolute free trade in the world, that is, trade without any tax, unless it be among the people of the same nation, and they all pay town and state taxes at least, as a part of their license to trade; while the untaxed trade between the different States of the Union is the most gigantic exhibition of absolute free trade on the face of the globe. Such free trade as between our States has worked well so far and, unless the contrary can be proved, affords a presumption that so-called protection may not always be a good, nor free trade always and to all extents an evil. Yet a free trader of the English or of the American tariff reformer's style has too often been held up as a monster — a cross between a mad dog and a fool.

"(2) A tariff for revenue with incidental protection, that is where the revenue is put first and protection second. That may be done by fixing the tariff so low that all foreign goods will not be shut out, so that the Government gets its revenue, and yet the tax on them be made high enough to stimulate home industries by giving them this tariff tax as an advantage to help them against the foreigner. This plan is the most expensive of tariff ways for the consumer who finally foots the bill, because in this way the Government gets only a little of the tax,

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while the consumer pays all, and the bigger part goes to certain of his fellow citizens who know how to feather their own nest with feathers plucked from his meek neck. For, look. There is an import tax of 50 per cent on a certain grade of cloth (any other example would do as well). Under that tariff $50,000,000 of that cloth is imported. The Government in that case gets $25,000,000 out of that tax. But the country must have $150,000,000 of these goods, and its home manufacturers make the other $100,000,000 which the tariff has kept out. Because of the advantage given them over the foreigner by the tariff, they are able to add 50 per cent more to the price of their goods, or nearly that, and get it too, unless home competition breaks the market. That is, if a yard of cloth made outside the tariff wall could be sold at one dollar there, on our side the wall it cannot be sold for less than a dollar and a half. Our fellow citizens, the cloth-men, know this and sell their goods at the top price or very close to it. In this supposed case they have got $50,000,000 bonus out of the tariff. But, mark you, not one dollar of the $50,000,000 has gone to the Government, but into their own pockets, and the men who paid them all this money are the consumers of their goods. The proportion of American goods to foreign goods which we use is about five to one. Therefore, where one dollar is paid into the treasury as a tariff tax, five dollars have been paid by us to the American manufacturer in the shape of a bonus or

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subsidy. As we raise every year about $200,000,000 by the tariff on these goods, we must pay about $1,000,000,000 to the manufacturers. Do you wonder that some men here have grown enormously rich while the masses remain stationary, or that wealth is becoming more unequally distributed every year? Almost any idiot can eat if you feed him, and these 'infant industries' swallow a deal off the poor man's table. This is how our tariff raises prices, and not, as the protectionist says, lowers them. For, what under the sun do they want protection for, or how in heaven's name can they get it if the tariff lowers prices? Did you ever know or hear of any man who ever went round begging his neighbors to help him lower the price of the thing he had to sell? Yet they tell us that a protective tariff lowers prices. I know it does sometimes, but how? Only by creating a disaster by which few can profit. It is this way. A high protective duty is put on some manufacture. There is money in it, and everybody, so to speak, goes into it, the halt, the lame, and the blind, everybody who has money or can hire some whether he have experience in the business or not. Then follows over-production as they call it — the home market is glutted, they cannot enter the foreign market because there they must deal with England who has free raw material while their raw material has b en heavily taxed for the supposed good of some other industry. They can't get out and they can't get on. They therefore go down like a row of bricks. Some

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shut down or close up, some go into the bankrupts' court, and a few hold through. Their workmen are in distress and wander about, perhaps, into some other business, if they can find it, and a select few of the masters hold on to better times, which come when the market glut is over and the people are recovered enough from the panic to begin to buy. Under protection, because of this business situation it creates, when prices are low you may be sure almost nobody of the laboring or professional classes has money to buy. Now that is the history of almost every protected American industry, and yet I haven't told half the misery that comes. That is one reason why a conservative business man with his eyes open ought to set his face like flint against this whole protection business. It seduces capital from healthy channels of trade into unhealthy ones. It mocks business with promises never kept. It gives a feast to-day and a dish of bitter herbs to-morrow. It is a bankrupt with a lot of promissory notes abroad which sooner or later go to protest and whose face value is never paid.

"Now, I don't say that we won't have commercial panics under any business system known to mankind. Neither protection nor free trade will cure measles or the cancer, nor save gluttony, either at table or in business, from physical or mercantile dyspepsia. Neither will either make a fool wise or save a man from punishment if he violate the law of his stomach or his business. Under any system of

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trade the frugal, the industrious, and the sagacious will have the inside track of the spendthrift, the lazy, and the short-sighted. But what I say is, that when a panic does come, from over-production, protection aggravates it, because a protected country has no foreign market into which to empty its glut, and so go on in an early recovery. A free trade country has. I know very well that our American home market is the best and biggest market in the world. All wise men want to keep it. But you can't keep it and thrive on it unless you sell outside of it. The manufacturing machinery of the United States is of that magnitude that it can supply the home market by running only nine months in the year, and probably less.[1] But what of the other three months — what of the mechanics out of work a quarter of the year? Now in this matter, and as our tariff now is, things are sure to go from bad to worse, since our machinery multiplies faster than our population. We are not Chinese, but a part of that civilized world which everywhere is moving mightily in developing the dynamic and economic forces of the age. I mean its mechanical inventions and its new powers to produce wealth. Every nation, our competitor, is more and more outgrowing its own home market and seeking foreign markets in Asia, Africa, in the isles of the sea, and wherever there is any trade, actual or possible. For us, in such a drift and growth of civilization, to shut ourselves up among ourselves and trust to our home market, is

[1] See Mass. Labor Rep. 1887, p. 294.

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both impossible and suicidal. The best, the only way to protect our home market is to hew open a way into the markets of the world. That, protection cannot do, for it cannot contend with a country like England, for instance, with free material, while its own is taxed up to its very eyes. Free trade, as I have explained free trade to be, can. I claim, in the first place, then, that our protection has not protected our own home market, and has lost us that standing in the world's markets which our national ability entitles us to. If my claim is allowed by the court, the decision is final against protection, as a delusion and a snare in the business of the United States. I want to say one word more about the low prices with which, for more than eighty years, the protectionist has promised the people should, after a while, compensate themselves for the high prices with which they subsidized their fellow-citizens — the manufacturers. The low prices did come, would come every day now, but for a reason. The glut and plenty of manufactures in our home market came long ago and many times; but the low prices have not appeared except in company with business disasters of which I have spoken. Why not? Because 'The Trusts' have come and stolen away the cheapness.[1] When, for instance, the sugar refiner finds that competition and over-production are destroying his profits, he agrees with other sugar refiners to put out only so much sugar upon the market as it will take at a certain price; that if

[1] See note, p. 231.

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it be necessary, any one or a dozen of his confederates, at the order of the trust directory, shall shut up their refinery and dismiss their workmen. Only, for doing that, they shall receive from the trust an ample dividend on their capital out of the general 'trust' fund. Thus, at the very time when the people are about to realize cheap sugar, when sugar is abundant, the 'trust' steps in and makes sugar high and scarce. They promised us bread and they gave us a stone, in fact two millstones — an upper and a lower millstone — scarceness and dearness. I cite this case to show how things are going, and as one of the many facts which go to show what a mockery of hope and right business methods this whole protection theory is. It cannot be reformed and it ought to cease."

There was an interruption here, and an uproar. A board on which a half-dozen men were sitting broke sharply, and the men were re-gathering themselves out of the sand dust on the foundry floor. There was a laugh all round, and Mr. Freeman said: —

"Well, friends, it's about time this meeting broke up too. That must have been a 'protection' plank. Good-night."

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CHAPTER IV.

THE next night, Mr. Freeman had a bundle of papers. "Here, men," he said, holding them up, "are some figures, or, as they call them, statistics, by which I intend to show in detail that our tariff system has not even protected our home market while making it impossible for us to sell in a foreign one, and so has cursed the bread and butter of this nation on both sides — by not keeping out foreign goods, as it promised and was paid for doing by the tax which a few men got, and the many (you among them) paid, and by not letting us out into the world's markets to buy and sell as we saw fit. Now, I want to put you on your guard against me and everybody else in this matter of tariff statistics. Figures won't lie, but you may lie terribly with them, all the same. Nothing is easier for an unscrupulous man than to cut, dry, misplace, distort, and especially omit — to put a half for a whole — so as to make figures tell almost any tale he pleases. There have been cases at Washington, and they are likely to recur at any moment when there is a new attempt made to steal something else out of the people by a new tariff tax, where men before a Congressional committee have not only

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lied down to their very boots, with the watchful and thoughtful men of the whole nation, out of doors, looking on, but have been exposed on the spot by other men, so that the falsehood was nailed on to them. I never heard that these felons against truth even blushed, or that when they went home they were shunned by their fellow-men and neighbors as rightly in the deepest disgrace into which any man can fall. At least, such was the ancient opinion among men, and I am slow to believe that we Americans are quite ready to laugh at a lie, even when it is against the public good, or regard it as a joke, a smart trick, a mere getting the better of somebody else. A lie is a lie, whether spoken by a senator, an iron manufacturer, or a lobbyist with the bribe in his pocket for which he does his dirty work. Of course a lie is the natural shield of a steal, since no people will submit to be robbed unless you can persuade them somehow that they are not, even when you have the stolen property in your own pocket. Knaves flourish best in the society of fools. Their silliness tempts the other fellows to their baseness. The defence of the American people against the schemes of the tariff plunderers is the intelligence of the people leading them to study the whole tariff question. That is what I am trying to help you do. I put my character behind my statement every time, and you are to judge for yourselves what is just and true. I am sorry to say that falsehood is not confined to any class of men,

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not even to the tariff lobbyists at Washington. But I ask you to notice that a good case needs only to have the truth told; and a bad case, if it be argued, must shun the truth as its deadliest foe. That lawyer is not wise who compromises his just cause by unjust argument, but he is wise who simply sticks to and argues the facts which make his cause. The lawyer with a bad cause has, from the very badness, no valid reasons. He must either invent some, talk about something other than the case itself, and, perhaps, as a last resort, abuse the opposing counsel. In any case an intelligent court or jury seldom fail to find against him. Now I wish to say that the American tariff, that protection, so called, has no reason, no right to exist. The reasons are all against both. They are all on the side of free trade, as I have explained that term. I ask you, therefore, to see that the temptation, at least, to misrepresent, is not on our side. The facts are good enough for us. Now I insist upon it, I will allow no man to force me from it, that the great masses of the Republican party are quite as honest in their protection doctrine as men can be. They vote as they believe. As a Democrat, I believe in the people, in their honest love of their country. As a student of American history, I maintain against any man, that the history of this nation proves that the nation has been maintained and honored, more by the persistent and 'instinctive' loyalty of the people, than by the ability and honor of their leaders. I do not

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think that the present is any exception to that rule."

At this point Henry Farmer had something to say.

"Now this, squire, is all-fired too bad. What's the matter with this here country? Ain't it the biggest country on airth?"

"And you think, perhaps, that this tariff made it so."

"In course I do. What else did it?"

"Well, now, Farmer," said the squire, with a laugh, "what you say reminds me of what I saw once among the Indians out West. The agent on their reservation explained to them, as well as he could, that the moon was going to be black in the face that evening, in short, there was going to be an eclipse. They understood by such an eclipse that the Evil Spirit would swallow the moon, and it was their business, as good Indians, to get it out of his stomach. So towards night the whole tribe, medicine-men, chiefs, women and children, dogs and ponies, turned out before their wigwams, the human part in paint and feathers, with war drums and rifles, and when, sure enough, the moon passed into eclipse, the whole tribe raised an infernal hubbub of guns, tomtoms, and all sorts of savage cries, loud enough to raise the dead. This was kept up until the eclipse passed off; and then they all subsided, thinking they had saved the moon. Now this American tariff has no more to do in creating the prosperity of the United States than the cries of

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these savages had in ending that eclipse of the moon. This country is so big, not because of the tariff, but in spite of it. The country would have been much bigger if this tariff had been very much smaller. Why not say that free trade between the States is the cause? If the tariff has made this Republic great, why haven't their tariffs made Mexico and the South American republics great? How does it happen that this nation, big as it has grown, for more than sixty years of its existence of about a century, has lived under tariffs vastly lower than this one is, and that a fair examination of the record shows that the country has grown faster under its low tariffs than under its high ones? If this land were the Desert of Sahara, would any tariff or free trade under the sun make it great? Or if we Americans were Patagonian Indians, would a tariff make us big? I know very well how great this land is; a land that has now sixty millions of people and can support a thousand millions; this land which holds under ground exhaustless stores of all metals and minerals necessary to create and perpetuate those gigantic industries which employ and enrich the world; which shows a surface so diversified and rich, and so vast withal, that its corn and oil and wine can feed the civilized world if not a bushel of wheat were raised in Europe; with a climate so diversified that here we raise both ice and oranges; wines of the West; apples of the East; a land of mighty rivers, inland seas, and seaports fretting its

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coasts to invite and assist commerce among ourselves and with all mankind; a land so vast that you can hide European empires in the corner of a single State like Texas; with territories not twenty years of age, not even yet come to statehood, where more wheat is raised in a year than France, with its almost thousand ages, produces; a land created to be great, which you can neither rob into poverty with tariff laws nor degrade with a thousand chains bound on its industries. Yes, I am proud of such a land; but I am ashamed of this tariff and of those who, in their ignorance, submit to it. Yes, and I am proud of our people — a people whose blood is mixed with the dominant races of Christendom; and yet preserving its identity as of the freest and most masterful race in modern history, the race that has colonized into greatness India, Canada, Australia, the United States, and the isles of the sea, the race which gets what it wants and holds what it gets. It is the land and the men here which have made the greatness, not the tariff as the protectionists would have us believe. And just exactly as I am proud of our native land, so I despise all this protection business when, like a hulking schoolboy in the dark, cowering before the echo of his own voice as he passes by a graveyard, thinking he hears a ghost, it stands before the world at Washington, cringing before the pauper labor of Europe, taxed almost under ground by standing armies, greedy work-masters, with privileged classes on its back as burdens,

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with its own ignorance and hunger, and a thousand years of serfdom, unmanning its brain and arm, having lost hope of everything except its black bread and soup, and asks you to protect us all by tariff taxes from perishing before their industrial prowess. Bah! I say it is unworthy of us Americans. The only pauper labor we have to fear is the pauper labor of the protectionist politicians at Washington. They are the paupers, I mean poor and mean-spirited people, who affront our self-respect every time they tell us that American industries cannot protect themselves. The American is not used to stand cap in hand in the forum of the world, asking somebody to give him a cent. It is his habit, when he wants a thing, to reach out his right hand and grasp it by honest toil. But he must have a free hand, and is a rather dangerous man to handcuff when once he feels the iron pinching his wrists. Cringing, hat in hand, to government for an alms, is a habit of protection. The proudest aristocracy of Europe, I mean the English, in the 'Corn Laws' struggle between them and the English people asking free bread, were forever coming to the British Parliament asking for the people's taxes which were their profits as landlords of the soil, until one of the proudest of them, Sidney Herbert, in the House of Commons was forced to say that he was sick of this eternal cringing for protection, and the shaft of his sarcasm went home both to lords and commons. No! to end this matter, I say that God made this country great that

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its people might also be great and happy. Protectionists say the tariff did it. I am not surprised that a system which steals away the rights of the people should try to convey away into its own miserable shambles the glory which belongs only to God. The United States no more need 'protection' than would a prize-fighter in a Quaker meeting-house.

"Now, then, to my point, — to attempt to prove that protection does not protect; that is, that it has not helped or maintained our home market. I take first the confession of the manufacturers themselves. Whenever there is any proposed change in the tariff they all come with this lament in their mouths, as did a few years ago the American Iron and Steel Association, representing the iron trade, which lies at the root of all business: 'With failure upon failure of our most experienced and respected iron masters announced in the public prints from day to day, with wages of iron workers necessarily reduced so low that they and their families can scarcely escape destitution and starvation, we are astounded to learn that a reduction of duties on foreign iron is seriously contemplated, and we protest against such action.' There had been almost no end to this kind of confession from the manufacturers. Now, I know that these men — not paupers, but millionnaires — cry 'baby' more than there is need whenever their pockets are going to be touched by giving the consumers of this nation a little relief from the pack of tariff taxes on

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their backs, and that anything they say must be taken with a big pinch of allowance; but since what they say is confirmed by the experience of every man who has kept his eyes open for the last twenty-five years, we may conclude that when they confess that the tariff has failed to protect the home market, and that the taxes we paid them to carry on business were a dead loss to us, instead of the profit they promised we should get, they are correct. The Republican Tariff Commission of 1882 recommended an average reduction in tariff taxes of about 20 per cent, which was another confession that the tariff as it stood then (and it is the same to-day) was either unnecessary or injurious to our industries.[1] But here are some figures that I hope will mean something to you.

"The United States have now, according to the best estimates, about 60,000,000 of people. The census of 1880 showed that then there were 17,000,000 engaged in industries; that 7,000,000 of these were employed in agriculture, 4,000,000 in professional and personal services, 2,000,000 in trade and transportation, and nearly 4,000,000 in manufactures and mines. At least, nigh one-half of our population were dependent on farms. Now, that they couldn't protect the farmers, if they would, — that is, raise the price of their products, — appears from the fact that the prices of most of our agricultural products, like cotton, wheat, corn, pork, etc., are fixed in the free trade market of Great Britain. Let prices rise

[1] See Report of Tariff Com. 1882, p. 5.

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or fall in Liverpool, and Chicago must follow suit at once. What do the farmers get, then, for all the tariff taxes they pay? The answer is, the home market. But they would have that market all the same if there was not a dollar's tax of protection on a yard of cloth or a ton of iron, unless we admit, with the protectionist, that without our tariff taxes our manufactures would cease to exist. But all our experience has been just the other way, to wit, that whenever these taxes have been taken off, or even lowered, these manufactures have taken a new start for the better. The fact is that our home market can't take what our farmers raise, and so they sell their surplus abroad, and the price abroad fixes the price at home. Our market takes 70 per cent of what our farmers raise, and the outside world takes the other 30 per cent. And, mark you, when that 30 per cent is sold, it is sold 3,000 miles away, in competition with India wheat, raised by the poorest 'pauper labor' on the face of the globe, and sold, too, at a profit. Now, if our farmers can sell in competition with such labor, why can't our mechanics? And, furthermore, I think that if the 30,000,000 of our agricultural population were not the meekest and most long-suffering of mortals, they would speak at the ballot-box loud enough for Congress to hear; and what they would say would amount to this: 'We are also American citizens, though your tariff laws have disfranchised us, and deprived us of our equal rights, and taken toll of us for our neighbor's

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grist. We have taken the bran of protection long enough. Now we must have a little wheat at the hands of this great and glorious Republic. We want to be rid of the tariff, and we give you notice that henceforth the laws of the United States must recognize the fact that there are farmers, as well as manufacturers, here.'

"Now look at the wool manufactures, next in magnitude to iron. All other high tariff nations, except Spain, have put wool on the free list. Every country without exception whose wool manufactures come into competition with ours, enjoys the advantage of free wool. It was a big blunder, ensuring disaster, that we didn't treat wool in the same way. As things are, wool is taxed on an average 45 per cent, and woollen goods are protected about the same. Now, how taking a dollar out of the manufacturer's pocket by taxed wool and putting a dollar into his other pocket by a protective tax on his goods, helps make him better off, is past my finding out. If it does, the fact knocks addition and subtraction into a cocked hat. We have had high taxes on wool and woollens for the last twenty-five years. Our wool manufacturers, as a rule, have made no money, and trade for them has in general been so bad that when a woollen mill is burnt down it is seldom rebuilt, as though fire were a mercy in comparison with the wool tariff, especially if the mill was insured. And how about the sheep and the farmers? Under this tariff, sheep have decreased in

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every State east of the Mississippi and in many west. All that we can say of the vanished sheep in several eastern States is that 'Mary *had* a little lamb.' I know that all this decay of sheep-raising is not due to the tariff, but all this has happened under the tariff; and my point is that this tariff has protected neither the sheep nor their owners. Sheep-raising has gone West just as wheat-raising in New England has gone West, and nobody can stop it unless you tax western sheep to keep them from competing with eastern sheep; and that many folks would like to do if the law of the land did not stand in the way. And what has come and is coming to the wool growers in the far West and Texas? Low prices. Why? Listen. We use about six hundred millions of pounds of wool yearly in our factories. We raise about half that amount here. The other three hundred millions of pounds we must import anyhow. But when we import it and it has gone into cloth, the tax makes it so dear that we can hardly sell a yard of cloth in the world's markets because the free wool of England, France, Belgium and Germany can be sold cheaper.[1] Take high-priced broadcloths, for instance. They can't be made anywhere unless a certain kind of Australian wool goes into them. Not one pound of that wool is or can be raised in the United States. Now, if we had this foreign wool free, we could take and mix it with Ohio wool, increasing the demand, and so the price for that wool, and sell at home and abroad. As the

[1] See note, p. 233.

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tariff now is, it substantially excludes the high-priced Australian wool, and so our manufacturers can't use it, and the foreigner sends, at least, forty million dollars' worth of broadcloths every year into this market and we buy it. All this, we are told, is to protect American industry and American labor. The woollen manufacturers don't believe it. They have found out the folly of it, and they want free wool. They can't get it because the wool growers say if they do, the tariff shall come off every yard of woollen goods, and show a tremendous set of teeth. If it did, in my judgment it would make this land richer, all wool growers included, and make us masters of the woollen industries of the world. What do the wool growers propose? Why, to raise the tariff on wool still higher. But that would destroy the manufacturer, unless he got a higher tariff tax on his goods. 'Give him the higher tax then,' say the growers, which is very much like saying that a man drunk on wine should have a stiff glass of brandy to make him sober. Indeed the attitude of the wool men and the woollen cloth men to each other, furnishes the high comedy in this wholly miserable tariff business. When anybody speaks out in meeting suggesting lower taxes, they all cry out in chorus, 'Let alone this blessed tariff. Whoever touches it is an enemy to labor, to liberty, to America — is a free trader.' But when they get by the ears over the division of the spoils, which of late years have grown lean enough, heaven knows, they

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look to me very much like a pack of men with hammers, standing over this same blessed tariff and threatening one the other. 'If you smash my share I'll smash yours;' and between them all, if the first blow were struck, this puff-ball of the woollen tariff would go up in smoke by the hands of its own friends.

"This woollen tariff shows its handiwork against our American industries, its truly destructive and in no wise protective character, in its destruction of our woollen exports; and this too at a time when all civilized nations are struggling with each other and us to export these surplus manufactures. Take a few examples as they come along. In 1870 we produced $21,000,000 of carpets; we exported $6,000, and of these exported carpets, $5,000 went to Canada, our next door neighbor. In 1876 we manufactured $134,000,000 of woollen goods; we exported about $700,000, or about one-half of one per cent.

"Let us see what the wholesale taxes on iron and steel, direct and indirect, cost our people who consume the same at home. The figures are by the general manager of the American Iron and Steel Association — a strong protectionist phalanx of money-makers — and reach to 1888. From 1878 to 1887 it cost the consumers of iron and steel in the United States $560,000,000 more than it cost the English consumers for the like goods, or $56,000,000 more per annum. In 1887, when we had our largest output, it cost us $80,000,000 more. In that year our Government received as duties on all steel and iron

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importations $20,700,000, or less than one-fifth of $103,471,097, our surplus or unneeded revenue of that year. There remained, therefore, $60,000,000 of indirect taxation of which the Washington treasury received nothing which must have been paid by our consumers of steel and iron. But into whose pockets did this money go? Into the pockets of the men engaged in the iron and steel business. I don't deny that they paid out a deal of it into the hands of the railroads and workmen who helped them carry on business. But out of sixty millions a big pile remained for themselves. In other words, the national treasury got one-fourth, and somebody else about three-fourths. Protection in this case paid somebody and somebody paid. Another little straw: according to the census of 1880 the entire capital invested in the iron industry of the United States, including iron and coal mines and the manufacture of coke to make iron, could not have been more than $341,000,000.[1] The price therefore paid by the consumers of iron and steel in the United States to help carry on the iron furnaces and rolling mills of the country for ten years, when wages were less, on the average, than those paid to outside labor, has been about sixty-five per cent more than the entire capital invested. Who paid this huge bill? The people. What did they get in return? I leave them to search their own pocket-books and see. I only know that $560,000,000 did not come down from the sun in some celestial money spout, and I

[1] See note, p. 235.

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guess, as a Yankee, that somebody who looks very much like you and me footed the bills.

"Let me dip a few taxes out of the great sea which is smothering us all, and see whether they taste salt or not. On every dollar you spend for any one of the following things, the tariff takes from you these amounts, computed in cents, viz.: men's suits, of wool, 48 cents; woollen hosiery and undershirts, 75 cents; cotton hosiery and undershirts, 45 cents; woollen hats and caps, 75 cents; a silk dress, 50 cents; gloves, 60 cents; blankets, 60 cents; alpaca dresses, 63 cents; scissors, 45 cents; brass pins, 30 cents; penknives, 50 cents; needles, 25 cents; steel pens, 45 cents; razors, 55 cents; carpets, 68 to 74 cents; furniture, 35 cents; wall-paper, 25 cents; window curtains, 45 cents; looking-glass, 60 cents.

"In your kitchen on every dollar's worth as follows: iron stove, 45 cents; pots and kettles, 58 cents; copper and brass utensils, 45 cents; crockery, 55 cents; glassware, 45 cents; table cutlery and spoons, 45 cents; pickled and salt fish, 25 cents; salt, 36 cents; sugar, 48 cents; oranges and other fruits, 10 cents; rice, $1.23 cents.

"That is, if your woollen suit costs you $10, $4.80 of that cost is a tariff tax for protection, and so on with each article in these tables. But all the men not in manufactures, and women too, the farmer, the lawyer, the preacher, the physician and laboring woman, wear clothes and have kitchens, or at least help pay somehow for the kitchens, and where does

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their protection come in? Does it come? Has it come? Can it come under this tariff? I say No. Protection says Yes, it comes because we keep you all going. Let the manufacturers drop out and the whole country goes to the dogs. But would the manufacturers under a much lower tariff drop out? I say No, and my reason is that the fact has been that wherever and whenever we have had free raw material, and in proportion as we have had it, in wool, leather, or anything else, business has prospered.

"Nor is this all. There is a very mean streak running through this tariff which consists in taxes laid on the poor and taken off the rich, in other words, taxed necessaries and free or almost free luxuries. Here are a few items in proof.

"Ottar of roses, free; castor oil, 180 per cent; orange flower oil, free; linseed oil, 62 per cent; diamonds, 10 per cent; common window glass, 87 per cent; raw silk, free; raw wool, 45 per cent; jewelry, 25 per cent; steel rails, 85 per cent; gold studs, 25 per cent; horse-shoe nails, 116 per cent; fine wines, 29 per cent; cheap woollen goods, 77 per cent; thread lace, 30 per cent; spool thread, 51 per cent; fine carpets, 46 per cent; common druggets, 86 per cent; India shawls, 40½ per cent; common woollen shawls, 86 per cent; silk stockings, 50 per cent; common worsted stockings, 73 per cent; fine broadcloth, 41 per cent; common cloth, 89 per cent; paté de foie gras, 25 per cent; galvanized wire, used in ten thousand ways by the people, from 132 to 155

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per cent; a bottle of champagne, costing abroad one dollar, 58 cents; a dollar's worth of bleached cotton fabric, 66½ cents; curry powder, olives, free; potatoes, 15 cents per bushel; cornstarch, 85½ per cent duty; salt, 85 per cent.

"Now, just examine these statistics, and what do they show? They show that the common people of this country had no lobby, money, nor a majority of congressmen at Washington to look after their interests, while the richer classes, and especially the manufacturers, had; and that these latter both forgot the people and took good care to remember themselves. They were rich enough to have been fair with the people, and they played foul. For these statistics show only a part of the wrong. The classes who made this tariff never showed baser than when they concealed a great wrong done to the masses under the harmless tariff phrases, a 'specific' tax, and an 'ad valorem' tax. A 'specific' tax or duty is so much on the pound, yard, gallon, barrel, bushel, etc. An 'ad valorem' duty is so much on the dollar's worth. A specific duty on cloth, for instance, is so much, whether it be a fine cloth at five dollars a yard or a cloth at fifty cents a yard. This way the laborer pays as much tax for his poor cloth as the rich man does for his good cloth, while the Government, if it had an ad valorem duty, would have made each man pay a per cent according to the value of his purchase. Who lose by this trick? The masses and the national treasury. It pays to be a

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tariff man, especially if you can make the tariff schedules. They probably did all this on the basis of a maxim attributed to Colbert, the famous financial minister of Louis XIV., that the perfection of taxation consists in so plucking the goose, i.e. the people, as to procure 'the greatest amount of feathers with the least possible amount of squawking.'

"Again: we are producing some $24,000,000 worth of hats and caps and importing less than $20,000 worth, so that we have our home market to ourselves. Yet we exported, in 1876, only about $200,000, and the hat and cap business for years has been in a bad way, both for manufacturers and their workmen. What's the matter? Merely that the tariff taxes on everything which goes into hats and caps, from 34 to 75 per cent (75 per cent duty on the very sewing thread) have buried this industry under its burdens. Take the clothing industry, which now produces nearly $300,000,000. We export a few hundred thousands only. Why? Because the taxes bury the clothing industry. Yet they say that we are the best-dressed people in the world. Perhaps we are, for we are the most industrious people in the world. They say that we are the cheapest-dressed people. In one sense we may be. Shoddy cloth made out of old rags and ground over and over again in the mills, and worn over and over again by the people, is not dear in price but very dear in use, as the new coat, like a pasteboard shoe, soon in rags, teaches many a father clothing his family. Examine the boys' and

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girls' clothes as they are gathered in their Sunday-school and you will find that these clothes are stuffed and running over either with shoddy or Carolina cotton put in for wool. When wool goes up the cloth-man makes more cotton go in. And that is one curse of high prices made by a tariff. Almost everything we wear is adulterated, mocking poor quality with a cheap price. I don't believe there is an all-wool blanket in this whole town. I don't believe that any man of you, in his 'go-to-meeting suit,' next Sunday, will wear on him a single all-wool article. I say again that this protection business robs a man down to his undershirt and his baby's blanket."

"But wouldn't it be as bad under free trade?" interposed an elderly man, who had been proposing in his own mind to give his latest grand-baby a new cradle blanket at Christmas. "People have queer ways nowadays, squire."

"No; and for this reason. Cheap raw material takes away a great temptation and almost necessity to deal foul, and a man's competitors have always a tendency to keep a wholesale cheat within some sort of bounds. The buyers' care and intelligence must be left to take charge of the rest. I will leave off here, men, and to-morrow night, if you like, I will go on."

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CHAPTER V.

AT the next meeting, Mr. Freeman began: —"Adam Smith, the founder of political economy in England, said a hundred years ago, 'When manufacturers meet it may be expected that a conspiracy will be planned against the pockets of the public.' Let me first show you, then, the tariff taxes under which this nation staggers — how far the conspiracy has gone.

"But first let me tell you that this same tariff, so far as it has any item of protection in it, has already been declared unconstitutional and a robbery by no less an authority than the Supreme Court of the United States. (Loan Association *v.* Topeka, 20 Wallace, pp. 655–668.) Here is the record. In 1872 the legislature of Kansas passed a law authorizing counties and towns 'to encourage the establishment of manufactories and such other enterprises as may tend to develop' such county or city by the direct appropriation of money or by the issue of bonds to any amount that the local authorities might consider expedient. Under this State law the city of Topeka issued its bonds to the extent of one hundred thousand dollars, — 'a majority of its citizens assenting,' — and gave these bonds as a donation to an iron-bridge company for establishing and operating their shops

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in that city. The first interest coupons were paid. But when the second became due the city of Topeka refused payment on the ground that the legislature of Kansas had no right, under the State constitution, to make any such law. Legal proceedings were had to force payment in the United States Circuit Court, and judgment there having been given for the city, an appeal was taken to the United States Supreme Court, where, with but one dissenting judge, the judgment of the lower court was affirmed and the decision therefore now stands as the law of the land. I will make only two extracts from that decision, which any man here can read through for himself to-morrow, if he likes, in our friend Lawyer Kambrelling's law library. The court says, 'To lay with one hand the power of the government on the property of the citizen and with the other bestow it upon favored individuals to aid private enterprises and build up private fortunes is none the less robbery because it is done under the forms of the law and is called taxation. This is not legislation; it is a decree (confiscation) under legislative forms. Nor is it taxation. Beyond a cavil there can be no lawful tax which is not laid for a public purpose.' The decision elsewhere says, 'No line can be drawn in favor of the manufacturer which would not open the public treasury to the importunities of two-thirds of the business men of the city or town.'[1] As every man of intelligence can see, the protection element in this tariff is made an outlaw by this decision."

[1] See note, p. 239.

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"But how, then, squire," asked one of his auditors, "can they keep on making such laws at Washington and not come to grief?"

"Very easily. They know all this better than you and I do, and therefore no tariff bill ever uses the word 'protection.' It is always apparently for revenue only, as the Constitution directs and as the Democratic party holds. There is therefore no chance to carry a tariff case of this sort before the courts. If they will put a protective clause in any tariff the judges have already declared it unconstitutional and the tariff must fall.

"Now, then, under the shield of the decision of the Supreme Court, I am going to say that this American tariff is also unnatural — against the laws of Nature. 'We conquer Nature,' says Lord Bacon, 'by obeying her,' and by that obedience the human race has attained to its present wonderful civilization. Our tariff, on the contrary, is a chronic and general warfare on the civilization of the world, and so on the laws of nature, whose fruit that civilization is. I say that free speech, free conscience, free manhood, free trade is by nature; and that all slavery is artificial, unnatural, and is always bound to give adequate reason why it should exist. The tariff attempts the impossible. There never was and there never will be any commissary department which can feed London half as well as London left to itself feeds itself every day. There never was and there never will be any government that can

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regulate its commerce or its manufactures half as well as they can regulate themselves. The American people do their own thinking and they ought to be let alone to do their own trading, where and as they please, with as little government interference as possible, always remembering that government must be supported by some sort of tax — yes, and by tariff taxes until the nation finds a better way. You may make water run uphill, but it costs, and it is troublesome. To let it run downhill is in general better. We had better let all trade take its natural course and take its natural consequences. The protection idea is exactly opposite to all this. It is meddlesome, tyrannical, and in the end disastrous to everybody. It is always shutting somebody in or somebody out, like a turnkey. Allowed to reach its natural conclusions and it would 'protect' every man into solitude and savagery. Here, if it could, it would protect the people of one State against another — Eastern wheat against Western; Pennsylvania pig-iron against Alabama pig-iron; Maine lumber against Wisconsin lumber; Rhode-Island eggs against Massachusetts eggs; Connecticut clocks against Vermont potatoes; town against town so that people on one side of a hill should be protected from people on the other side. All this is done in protected Europe and would be done here were it not for the Supreme Court. Now, civilization is only possible by co-operation and use of the forces, like machinery and commerce, which civilization has

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evolved. If you will follow out this line of thought you will find that protection runs counter to this great tide of human progress — that it is mercantile barbarism.

"I object next to this protection business that it is anti-American, anti-republican, aristocratic, and the tool of tyranny. It began with the lust and rage of kings; with the robbers of mediæval ignorance; and it must end so soon and in just that degree as men become free men. Can you conceive of a more disagreeable slavery than that where the law should say, 'You shall buy and sell exactly as I say.' Yet this tariff says that in a thousand ways, since it taxes four thousand articles, I might say in four thousand ways. In the old slavery the master took all the wages of his workmen. In this white slavery, the protected master takes only a part of your wages, to wit, just that amount of money which you pay more for anything you buy, than though there had been no tariff tax in favor of his goods and against your pockets. In the old black slavery it was said, 'the master distributes floggings, but he also distributes rations.' In the white slavery of the tariff, we are told that the masters distribute taxes among us, but they also give us work. The answer is, 'But as the slave earns the rations which he gets, and feeds his master also, so the American mechanic earns his wages and so far as he pays protective prices feeds his master also.' I am as much entitled to free trade as I am to free speech or

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free air. It is a part of my birthright as a human being."

"But, squire," interrupted one of the audience, "you told us that we must have tariff taxes to support the government and that the consumer must pay them, and why isn't that robbery just as well."

"Because you are always as much bound to help, according to your ability, to support that government under which you live by some sort of fair taxation, direct or indirect, as you are to support yourself or your family. The government exists to protect you from invasion, from robbery, from wrong. It carries your letters, coins your money, is your agent to transact partly your business where you cannot; and you pay it in taxes just as you pay the shoemaker or the carpenter, or the grocer who brings round your flour and sugar. Every man should pay his debts, especially to his country. But under our tariff you pay money you don't owe, to monopolists who work against you, not for you, with whom you have made no contract, and who scoop in your 'shekels' with a gambler's rake at an illegal game, which has managed, as I showed in the Topeka case, to evade the Constitution of the United States.

"I object next to this tariff business that it is base, cruel, and immoral. It is immoral because, while Christianity says all men are brothers, protection says in all its schedules and robberies that only the robbers are brothers. It is base because by its very nature it runs to tricks. Just read the story of

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a Massachusetts button manufacturer. He got his buttons highly protected, but found that the foreign cloth he used to cover them was also protected, i.e. taxed, and therefore cost him more, as happens in all such cases. He therefore ordered his agents abroad to slit and cut this cloth, and thus got it through the custom house as 'damaged goods' and escaped the tax. Then he invented a circular gouge to cut out pieces just big enough to cover a button, and the perforated cloth and button pieces all came in free as usual. When he had become very rich from buttons, this patriot, this philanthropist, one day chanced to die; but he had given a big hall to the town where he had made his money. If I could write an inscription on it, it should be, 'Erected by Mr. Blank, but paid for by the American people, who bought his buttons.' Take another instance: when Chicago was burned down, Congress, in the great distress, proposed, and the nation applauded, that Chicago should have all its building material free of the tariff taxes, and were about to pass a law accordingly. This, in itself, was a confession that free trade was a blessing to Chicago then. But what happened? The Michigan and Wisconsin lumber lords took a palace car to Washington, and when the bill was passed it excepted lumber. The exception was worth millions to the lumber lords, and their wives had more diamonds, but how about Chicago and its toiling masses?

"I object, finally, to protection that for more than

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a thousand years it has been everywhere merciless, unsparing, cruel. It is the very heart of the thing to be so. Lust, whether of the flesh or of gain, grown strong and dominant, ceases to have compassion for aught under the sun that stands in its way. When Queen Elizabeth undertook to encourage the woollen home manufacture of England, a law was passed that any Englishman who exported a sheep was, for the first offence, to forfeit his goods forever, to suffer a year's imprisonment, and then have his left hand cut off in a market town on market day, there to be nailed up to the pillory. For the second offence he should be adjudged a felon and suffer death. In the reign of Charles II., it was made law that no person within fifteen miles of the sea should buy wool without permission of the king, nor even load wool within five miles of the sea, except between sun rise and set, on pain of forfeiture. Parliament, in 1678, to encourage woollen manufactures, ordered that every corpse should be buried in a woollen shroud, which reminds me of the fact that when, a few years ago, the commercial treaty between protection France and Italy came to an end and France had forbidden Italian fruits and flowers to be imported, Italy took part of her revenge by imposing an import tax of seventy dollars on a French corpse sent to Milan for cremation, and then another export duty of seventy dollars when the ashes were sent back. In 1672, the lord chancellor of England publicly declared that it was necessary

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to go to war with the Dutch to destroy their commerce, which was competing with England; another English statesman made the same declaration in 1743. When protection England came out of the war with Louis XIV. victorious, and was able to dictate the terms of the treaty of Utrecht, she insisted that the great French port of Dunkirk on the Channel should be filled up and destroyed, that French commerce might not become too successful. To show that protection loses none of its savagery of temper with the lapse of time, it may be stated that a few years ago a statesman in the French chambers urged a war with Tonquin China, on the ground that it would give employment to the French shipping.

"When one-fourth of 'protected' England's people in the Corn Law agitation were starving; when the provision dealers sold to respectable men and women the scraps which before they had thrown out as offal; when the mechanics bought bread by the halfpenny-worth; when mothers could only buy 'blue' milk on alternate days to moisten their children's bread; when men, wolfish with hunger, prowling for food for their children, or some frantic woman with a dead babe at her breast, searching after bread for her living ones, were liable any day to break in upon a provision shop and snatch a bone or a loaf; in fact, when protected England was about to perish with hunger in a misery so acute as was never seen before or since in Christendom (the Irish misery excepted),

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the first peer of England, the Duke of Norfolk, said, in the House of Lords, that he had a sovereign remedy for these poor people, viz.: that if they would take a pinch of curry powder and stir it up in hot water and drink it, they would find it a great help to their stomachs. When the Irish famine, due to the potato rot, was on that ill-starred land where whole generations of men and women had lived and died almost without knowing the taste of meat, and this misery too in a proud realm whose sky was almost fretted with the spires of Christian churches, the Duke of Cambridge said, like the man he was, 'Really, I can't think that things can be so bad. We don't find anything the matter with the potatoes on our table, you know.' And yet the English aristocracy who owned the land and kept out the people's bread until all this misery came, never let go their grasp on English flesh and blood until Bright and Cobden forced them, because revolution stalked behind famine, as every English statesman came to know. To show that 'protection' has lost none of its ancient cruelty in these days, I refer to the well-known fact that when, in 1877, a hundred or so of women weavers in a New-York silk factory, who had been deluded out of England in hope of better wages here, told their employer that they couldn't exist on the wages paid them, he first advised them to hire a tenement house and live together; and when told that they had no money to buy beds and other furniture, promptly informed

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them that they could probably get along without furniture and sleep on the floor, though the meanest pauper is provided with a bed of straw. (New-York Times, August 17, 1877.)"

"But what are the arguments in favor of protection, squire," asked one of the elders.

"None that I ever heard of; none that will stand; none that will wash. I regard the whole business as being like witchcraft, astrology, alchemy, or any other delusion. The protectionists have a mouthful of reasons, for, as I have said before, when a man has no reasons to defend his case the first thing he does is to turn round and invent some. Since history is all against them, the protectionists betake themselves to prophecy, and as prophecy is usually the foretelling of something that never yet was, and yet never may be, it is a little difficult to answer them except from history. They foretell all sorts of possible calamities and sorrows to every American industry and every American mechanic, entirely passing by the fact that whenever and in the exact proportion that any one of our American industries has been free it has been prosperous. Yet they keep on bringing out the spooks and ghosts and Jack-o'-lanterns of these imaginary evils with which to frighten the babes and sucklings who know no better. When a railroad was first run up into Vermont from the seaboard, plenty of men listened to the twaddle that that railroad, by carting freight so cheaply, would destroy the value of Ver-

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mont horses. When George Stephenson was building his railroad across Chat Moss from Liverpool to Manchester, all the magpies, crows, and kites of English stupidity and selfishness were clamoring against his enterprise, alleging that the engine smoke would poison English air; kill English oaks; scorch all the verdure of English landscapes; kill invalid persons and children of tender age with the engine whistle, and make English cows and English mothers miscarry; in short, would destroy England. The remaining protection stock in trade, so far as I can see, are half-truths and false metaphors. Their half-truths, which always cut the throat of the man who uses them, more than whole lies, since half-truths often mislead the very man who uses them, I shall speak of later on. The other chief assets of protection are a lot of false metaphors, that is to say, fine phrases which imply something which is not — nothing which is. The very term 'protection' is one of these false metaphors. Every man wants protection of the right kind — protection against a bore, for instance, or against a smoky chimney. I like to be protected by woollen blankets on a frosty night or by a coat in the northwest wind. The babe likes protection in its mother's arms. Everybody likes protection from anything that hurts, and needs no protection from anything that does not hurt. But to be protected out of my winter coat or blanket or cheap sugar or anything I need and have a right to have, is not protection, but

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destruction of my happiness. The tariff man assumes, and, by his name of protectionist, evades, the very question at issue, to wit, whether our protective tariff be a curse or blessing. I have tried to show you that it is a curse. Thus they tell us we are 'tributary' to foreign nations, just as though being beaten by them in war we pay tribute to them, as France did of late years to Germany, while the only tribute these nations ask of us is to trade fair with us so that each may reap a profit, as the very idea of all honest commerce is. The nations are contributors and co-workers together, not tribute-payers and tribute-takers. Then they speak of an 'invasion' of foreign goods into these markets, as if silk and sugar and allspice were an army with banners, instead of humble ministers to our comfort, which we may receive or not exactly as we like. Whoever heard of any sane man wishing to be protected against comfort, plenty, wealth, and what exactly he needs or wants? Yet this is exactly the sort of protection the American tariff is giving ninety-nine men out of a hundred. Then they are fond of speaking of 'an inundation' of foreign goods as if they were an angry river overflowing its banks and sweeping away villages and factories. It all depends on what is meant by 'inundation.' The inundation of the Nile, for instance, creates the agricultural plenty of Egypt. For my own part, I wish that this land was 'inundated' with plenty; overflowing with what makes men comfortable and

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happy. This, I have argued, protection prevents; and that sort of prevention which hinders me from my comfort and yours I take no stock in, but call it a cruel fraud and robber. I have been looking for some noisy orator to use the simile (a simile is sister to a metaphor) that our protective tariff is like those dykes of Holland which keep out the sea and protect a busy and thrifty population who live many feet below the sea level. They have not used it because the simile turns at once against them. For among the nations we are the sea of commercial and mechanical ability, striving to get out into the world's markets, and prevented by the tariff dyke. So those waters rise, choking and covering our home market with a bad plenty which lowers wages and profits. This is what Mr. Abram Hewitt meant when he lately said that the American people must fry a while longer in their own fat before they would reform the tariff. One day they will find this tariff fat all in the fire."

How long Mr. Freeman might have gone on in this strain it is hard to say, but he and the meeting were both cut short by a man tumbling in upon them through the big foundry door and crying, "Fire! Fire in the old woollen mill. It's all afire." It was Jim Brown, the night watchman there. The meeting emptied itself out-of-doors as fast as live Yankees do on such occasions, and swarmed to the woollen mill. When Mr. Freeman arrived he saw that the mill was past saving, and,

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although nearly every one wrought sturdily as he could and the men who wrought least advised most, — as such people always do, — the mill in due time burned itself down in spite of them, with a crowd looking on which went home rather late from its smoking embers.

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CHAPTER VI.

MR. FREEMAN found his audience standing round the furnace, busily discussing the fire of the night before.

"Bad business, squire," said one, as he came among them. "What with this foundry closed and the woollen mill burned down, there's a hard look for work this winter in Rabham, anyhow."

"Humph! yes," said the squire meditatively, "perhaps so. We must all take the bitter with the sweet. I hardly know what my drop out of that fire is; probably it has a mixed taste — bitter-sweet, as I am a small stockholder and we are well insured."

"I don't see, then, but you are all right, anyhow, squire," said his next neighbor at the furnace.

"Yes, so far as the insurance goes, we are; better than nothing. But it's a dead loss to the country — so much wealth, capital, accumulated human labor — whatever you call it — gone up in smoke."

"But it'll give work to the mechanics who do the building-up again," said the same neighbor.

"Yes; but if you look at things that way, then you must admit that it would be a good thing for Rabham labor if all the houses well insured in this

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town were burned down, especially if the insurance were abroad; better still, if all the houses in the State were burned the same way; and so if all the houses were gone it would be a good thing for the lumber yards and the men who build houses. A curious way for a nation to grow rich, and a nation growing poor means poorer pay for labor. No! Wars, fires, inundations, shipwrecks, and whatever destroys property without creating other property is a dead loss to somebody, — in a sense to everybody. There are two kinds of consumption — a good and bad kind. That is the good kind where men consume to produce: as where a man consumes iron to forge a horseshoe, or bread and meat to enable him to work at any profitable employment in creating anything which is useful to man. That is the bad kind where consumption produces nothing useful: as where a mill is burned down or a ship sunk at sea. I say this because I would like to save my neighbors from that selfish view of labor which looks only at its own narrow and short-lived advantage which it gets from the misfortunes of other people, and does not see that the general good in the long run is the good of every one, and that a general loss is every man's loss. I had meant to talk this evening about wages. But if you like I don't mind talking about the woollen-mill business, and so give you an object-lesson on this tariff, which I am trying to help you understand."

"That's all right," said several; "go on, squire."

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"Very well. The laboring people are always saying, 'We want work.' They mean all right, but they just miss the mark when they talk that way. What they mean to say, at least what they ought to say, is, 'We want a living;' that is, useful, profitable, economical work. There is bad work as well as good; work that don't pay, profit, accumulate, add anything to the public good, and yet must be paid for by somebody, unless the laborers work for nothing and board themselves. All such bad work always comes to an end sometime, because the man, corporation, or nation which does the hiring must go bankrupt. Let me suppose a case. Suppose this commonwealth, when work was slack, should divide the laborers in every town into two equal gangs; should set one gang in the morning to dig a trench along the roadside and the other gang in the afternoon to fill it in again, and pay every man a dollar an hour out of the state treasury. Here would be plenty of work well paid, but it would be useless, wasteful, unproductive work. If this work went on long enough the State as paymaster would proceed to raise its taxes until they became so high that it would sell the workman's house and garden plot to pay for his own labor. That is nature, the way things are, and nobody can alter or get round this nature of things. This American tariff is trying to do this very thing, and will fail.[1] All bad — that is, useless, unnecessary, unproductive — labor, then, is a curse to the community, as that road work was, no

[1] See note, p. 242.

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matter how it dresses itself up and parades as a blessing. Man must, indeed, earn his bread in the sweat of his brow, but he wants as little sweat and as much bread as possible, and he ought to have it. We do not labor for labor's sake, but for what labor brings us as its reward; wages, comforts, in short what we need or desire. I have stated an extreme case in this road business where there is a total loss in results, but you ought to be able to think out the law behind it, — that just exactly as labor is useless it is labor lost, whether you try to raise bananas in Vermont or tea in Tennessee. I have no doubt you could make your own shoes or coats if you spent time enough over the job, but you have long since found out that it is cheaper for you to mould pots and kettles and exchange your share of products, that is, your wages, for the shoemakers' and the tailors' work, and save money doing so. They can raise pineapples in South America and tea in China cheaper than we can, because there the sun and the air do most of the work with no pay — offer, indeed, a free gift to mankind, while we should have to make our own sun out of anthracite coal and fight against climate every day our crop of oranges or tea was above ground, while it would be better for us to buy oranges with ice, tea with woollen or cotton goods, or anything that we can make.[1] Now just here this protection business in our tariff makes war on natural law. It taxes out of the country the gifts which nature has given other lands, and so,

[1] See note, p. 242.

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through wise exchange of goods, ourselves, and says, 'raise everything yourselves at home, even if it costs more' — that is, if it takes more work, 'because it gives somebody work.' What is that but saying that useless work is good work? You ought to see it is bad work. Men have a right to whatever nature gives the human race, the right to get with the least expense of labor, that is, of wages, which represent their labor, whatever they desire to possess. This tariff tends to keep out God's gifts and God's plenty from every man's home. Let me try to show all this protection business by boiling down for you a little satire of Bastiat, whose books every man ought to study, when he makes the candle-makers and gas men of Paris with their allied trades present a petition for protection to the French Assembly, or Congress, in order, as they allege, to give work to Frenchmen.

"'We are subjected,' they say, 'to the intolerable competition of a foreign rival, who enjoys such superior facilities for the production of light that he inundates our home market, reduces prices, and makes French labor a drug in the market, so that the French market stagnates and is in a bad way. This base rival, gentlemen, is the sun, who we fear has been instigated by perfidious England to carry on this industrial war against us. We therefore pray your honorable body to pass a law to compel all Frenchmen at once to shut out this foreign invader, this free-trade, from all French houses

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by boarding up all windows, holes, chinks and cracks. Thus you will stimulate the tallow-chandler's business and all France. Labor will have plenty to do and our manufactures will bring high prices. As there must be more tallow, the new demand will immensely increase the cattle and sheep business and so benefit our fellow-citizens, the farmers. As there must be more oil, this will quicken the whaling business and develop the French navy. It will cause the increased cultivation of the olive-tree for oil. Our waste lands will soon be covered with rosin trees, which will breed numerous swarms of bees to make France flow with honey. Then, too, be pleased to think how this plan will give steady work to a great army of mechanics, who will make the magnificent chandeliers, lamps, reflectors, and candlesticks necessary to light the houses of Paris and the provinces. What magnificence, what glory, what prosperity to France! We feel confident that you will grant our petition, gentlemen, because you have already shut out from France by a protective tariff all the other works of this wicked, unpatriotic sun, such as Spanish oranges, Italian flowers, olives and vegetables, and now we ask you to protect our trade in the interests of labor and of France. What you have done you have done, you say, to encourage, to increase the demand for labor; you who love labor so that you have had the courage to make war on the sun. Be pleased to do so some more. Never pause in your noble career to listen to those wicked

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free-traders who run about with British gold in their pockets, the price of their shame and disloyalty to France; but grant us our request in the interests of labor and the nation, and we will ever remain, as in duty bound, the CHANDLERS AND GAS MEN OF FRANCE.'

"What patriots! Almost as great as the lobby and Congress at Washington!"

"But the old woollen mill burned hisself down, and it'll give work to our folks building the old thing up," interposed Henry Farmer.

"Yes," replied the squire, "if we rebuild, which is somewhat doubtful. But in that case the laugh is not all on the labor side. For, look: it is in building houses that the tariff taxes pile themselves in — they swarm, they inhabit, they colonize; they climb from corner-stone to roof-tree; they dance on the shingles; they huddle under the eaves; they sleep under the rafters; they grow brilliant in every stretch of new paint; they are hammered into the house with nails; they are throned on the iron posts and brasses; they make forcible entry; they take possession long before labor does, and labor sleeps sweet, if at all, under 'protection,' in a house haunted by taxes and made 'a dear home' by extortions. In the case of a corporation house, like the woollen mill, the stockholders pay these taxes, but they must and do put them on their goods, and the consumer pays accordingly, just as the increased cost of every tenement or hired house through tariff

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taxes is paid as more rent by the tenants. In the case of a mill, the stockholders, having had to pay more for their building, have less capital out of which to pay their help; they must therefore economize in wages all they can, and thus the laborer, who is both producer and consumer, loses at both ends — in what he earns and in what he spends.

"This lumber tax is especially cruel. Owing to its bulk and the remote, wild places where it is produced, both saving it, as by a tariff law of Nature, from becoming very plenty in our villages and cities, it would be difficult to overstock our markets by any importation. Besides, our lumber men are swiftly destroying our American forests, which is sure to become a curse to our climate and our agriculture. Yet our citizens who own lumber land in Canada (and millions of such acres are held by them) are forbidden to import their own property across an imaginary line without paying the taxes. As things are, a farmer can buy an agricultural machine of any sort — made and exported from the United States to Canada — cheaper in Canada than he can in his own home market, which is another way this blessed tariff has of protecting our farmers from the competition of Canada wheat, by giving their Canadian competitors cheaper tools to work with.

"I compute that any house built in the United States costs its builder from one-third to one-fourth more for the tariff taxes. That it costs very much more, I think is shown from the fact that when this

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nation pitied its two burned cities — Chicago and Eastport — it took off the tariff taxes from their building material, and these cities were very thankful for a real load taken off. I always understood that everybody looked at the matter in that way. But if it was a good thing for those cities, why wouldn't it be a good thing for every mechanic who builds a house for his home? This is bad enough for you East here, who work long to save enough to build, and who at least are under protection for your manufactured goods such as this tariff makes it; but it is still worse for the great farming population of the West, who cannot possibly be protected in anything they raise and whose little houses and shanties on the farms, where they are trying to make a living, are made both lean and expensive by tariff taxes.

"I tell you what it is, men; unless wiser counsels prevail, somebody is going to get badly hurt. The danger is that when the masses of American citizens come to see what hurts them, especially the Western farmers, they will make short work — I hope not violent work — with this whole tariff business. I may as well end here to-night," Mr. Freeman added, "unless somebody wishes to ask me a question."

"What's the use, then, squire, of building up that old mill anyhow?" said an old gray-haired conservative, with bushy side whiskers, a squint in his left eye, and a big quid of tobacco to his cheek. "My father wove in our old garret on a hand-loom twenty yards of cloth and shot two dozen black

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ducks down the creek all in one day. Them was free days, which a man had to himself — plenty of good air, his babes below-stairs, and his wife to cook a warm dinner. But now in these big greasy mills, with nasty air and no end of noise, men, and women too, must run to a bell and snatch their grub at twelve o'clock like a drove of cattle, and tend a big machine with the overseer always coming round to find fault; everything in a stew; no liberty, no nothing but work. I wish every weaving machine in the land was burned up as in the old mill down there. Machines are the poor man's enemy, I tell you, squire."

"I am glad you speak out in meeting that way, Uncle Joe," replied Mr. Freeman, "because I know you think all that, and I will try to give your plain question a plain answer. What you say about the rigid discipline and discomfort of a big mill is very often true. But nobody can help it. These big mills have come because they would and must. They have grown out of the needs and nature of human progress, just as the telegraph or the railroads have. Nobody could stop their coming any more than you can stop anything else that comes, that grows up, with civilization.

"The world has grown to be so big that you can't clothe it any longer by weaving on hand-looms in a garret. Those good old times were not so much better, after all, than ours (I think they were much worse); but, good or bad, they have gone, not to

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come back any more than flintlock guns or shelling corn with a corncob, will. And this machinery, without which the world that now is could not live comfortably a week, but must go back to barbarism, makes these big shops necessary. But what you say about machinery, as we Yankees put it, is 'teetotally' wrong. You are all out there, Uncle Joe — never more so. I know that many of you laboring people think that machinery is an enemy and a curse to labor because one machine may do ten men's work, and so nine men stand idle. Why don't you ask your protection friends in Congress to kill all these machines somehow, by taxing them a thousand per cent, say? For if protection thinks it a wise thing to protect home labor against foreign labor, it is logically bound to protect hand labor against machine labor, in order to make more labor for mechanics. Remember what I told you about bad labor. Indeed, if labor is all that is wanted, whether good or bad, there are a thousand ways to make it — pass a law, for instance, that every carpenter shall saw with a dull saw, or, better still, that every mechanic shall work with his left hand, and it will take more men — twenty to one — to do the same job that took one. The protection temper is always shutting up and shutting out something. When there was fear that the wheat of Portugal would come into Spain, a Spanish congressman gravely proposed that the Douro River, by which it was coming, should be closed to navigation. When France took off certain tolls from her

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canals, a clamor was raised to put them on again to prevent German goods from enjoying the new cheapness. What is the use of building railroads and steamships — great machines and free-trade agencies as they are — tending to make plenty and cheapness, if it is wise to hinder them from carrying out or into the country freights and cargoes, by a tariff which tries to make scarcity, while the very nature of cheap transportation is to make plenty? Under the old protection laws of England the Middlesex farmers petitioned Parliament against building new roads or repairing the old ones, since bad roads would hinder farmers farther off from competing with them in the London market. The farmers who raised beans in a certain English county also petitioned for protection against the beans of another county. When the fate of England hung in the balance at the close of the Corn-Law struggle, — a struggle between the English aristocracy and the English people for free bread and free men, — when there was danger to the throne and to the peace of the land, — the ribbon-makers came to the House of Commons, whining that if their miserable ribbons were not protected England would fall in ruins. Great France will have only French coal for her navy and French oats for her army and ought to have only French air for her babies, when she has any, by building a wall high enough along the Channel to keep out English air. She refuses to allow any foreign bids when she erects an international

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exhibition building in Paris, and if she dared would, no doubt, tax every foreigner living under her laws. Is it any wonder, then, that in carrying out such a merciless war against foreign industries her people should follow logically her protection fallacies, as when lately the Paris glaziers asked the municipality of that city to forbid any one but themselves to repair a window or set a pane of glass; or the Paris carpenters successfully petitioned that boards planed in the suburbs should be taxed on entering Paris; or that the Paris washerwomen petitioned that 'the pauper labor' of their sisters up and down the Seine should be taxed on bringing into town their weekly wash to their customers? Protection, built on a basis of injustice, is forever developing into absurdities and making war on machinery, steamships, railroads, progress, civilization, and the comforts of mankind. It is fated to be mean in temper and destructive to fair and friendly dealing between men and between nations. It should be painted as a gigantic mouth forever open and forever devouring other people's goods.

"Now the hatred of some laboring-men to machinery as the enemy of labor reminds me of a game of cards I have seen played on the cars by a gang of gamblers against the public. A card is turned up, and then turned down again, and now lies on top. You saw it to be, let us say, the Ace of Hearts, and so it is. You are willing to bet money, according to your purse, upon the testimony

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of your own eyes. If you do you lose. Why? Because, unseen by you, the rogue who shuffled the cards will now change the card, and in doing so has changed the whole situation. The game is only completed and the result of the whole transaction seen when you pay your bet, out of which you are swindled. Yet your eyes did not deceive you. So with your hostility to machinery. Every new labor-saving machine does displace laborers, and often throws them into great distress. Their fellow-laborers see it with their own eyes, and conclude that the machine is a curse. But the whole is not seen. Before the art of printing, all books and documents were written or transcribed with the pen, a trade which created a whole army of copyists, and the books thus made often cost a large estate. But when Gutenburg, in the fifteenth century, invented the printing-press, his invention destroyed the old trade, to the great distress and provocation of the craft. In fact, it destroyed a great and lucrative occupation. Yet now millions earn a livelihood from the printing, and a laborer may read in his newspaper (price, two cents) the news of the world at a cost many times less than it would be if copied in the old method. Was the printing-press a mistake against the laboring-man? When those wonderful machines for spinning cotton and woollen yarns, which to-day feed millions with work, were invented, the English laborers broke into the shops and burned them up in riots which had to be put down by the military. They saw only the

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temporary distress, and did not see the permanent increase of comfort which came later on and stayed. For if anything in the labor question is proved beyond question, it is that every labor-saving machine lifts labor into greater comfort and higher wages. Look over the world to-day, and where you find the most machines you will find the most labor and the highest wages; the fewest machines, the lowest wages. If a man wants to get rid of machinery let him take money in his purse and go among savages, where only there is none. In a week's time he will be ready to come back where machinery and civilization both are. Protection, when it avails, makes scarceness, machinery makes plenty, and in the long run I am sure that the machinery will win. Yes, and the people who know the most about patents are the very men who tell us that we are close to the invention of other wonderful labor-saving machines. The United States Labor Report for 1886 says, that for the past fifteen or twenty years the gain in production by improved machinery has been, in agricultural implements, from 50 to 70 per cent; in shoes, 80 per cent; carriages, 65 per cent; in silk, 50 per cent, and so on.[1] In 1776, Adam Smith, in his 'Wealth of Nations' (Vol. I., Chap. 1), mentions it as wonderful that ten men could make upwards of 48,000 pins a day. In 1888, our consul in Manchester reported home that three men tending machines could make about 7,500,000 pins a day. Spindles, that in 1874 made 4000 revolutions in a minute,

[1] See note, p. 243.

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now make 10,000. By late improvements in marine engines in steamships, one-half the coal is saved, and where the old vessels on a long voyage had to carry 2200 tons of coal, and therefore only 800 tons of freight, the new vessels with the new machinery can carry 2200 tons of freight and only 800 tons of coal. Sir Lyon Playfair, a scientific authority, says of these improvements that 'a small cake of coal, which would pass through a ring the size of a shilling, when burned in the compound engine of a modern steamboat, would drive a ton of food and its own proportion of the ship two miles on its way from a foreign port.' The *London Engineer* magazine says that it has been computed 'that half a sheet of note-paper will develop sufficient power, when burned in connection with the triple-expansion engine, to carry a ton a mile in an Atlantic steamer.'

"Now I have given you these instances in order to save you from being misled by the Protectionists when they tell you that prices have gone down here under our tariff, and that protection did it. Since 1872, to the surprise of every one, prices have gone down in every civilized country, and have gone down to stay, while wages have everywhere gone up. Protection didn't do it, but improved machinery and means of transportation did. They make plenty, they are free-trade emissaries bringing and carrying comforts to men everywhere they are allowed to go. Therefore no wise laborer will ever quarrel with a labor-saving machine."

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CHAPTER VII.

WHEN Mr. Freeman met his men the next evening, he said, "I am going now to discuss the question of the effect of the American tariff on the American laborer. A tariff like ours, regulating how the nation shall buy and sell with the rest of the world, must either help or harm. Now I expect you will attend carefully. For this is your matter, it comes home and sticks to you, and you are less than men if you do not study the question down to its roots. Does this tariff help labor? If it does it should stand. If it hurts it should fall for the sake of every one, since, if the condition of labor be bad, business cannot be good. For labor and business are as intimately connected as eggs are with an omelet. Or you may turn this statement the other end foremost and say that if business be bad the condition of labor cannot be good. The two stand or fall together.

"Now I have already argued, so far, that this tariff has not only not protected our home or our foreign market, our business, in short, but injured both greatly. Exactly so far as you admit that I have proved my point, you must also admit and assert that this tariff is an injury to labor. But without asking your assent just here to anything already said,

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I will now examine this tariff from the laboring-man's standpoint. He always wants all the wages he can honestly get. Does the tariff raise his wages?[1] Let me go one step at a time. Are the laboring classes satisfied with the present condition of the labor market under this present tariff? If they are, why do they have all sorts of labor unions and go out so often on strikes? Henry George has said lately, 'The working-men of this country have precipitated more than three thousand strikes during the past year to better their condition, involving the loss of more than $350,000,000.' I have no reason to think that he overstates the matter.[2] I am aware that working-men are not always right, nor their employers always wrong; but I am sure that, making all allowance for their mistakes, the laboring classes have just cause to be deeply dissatisfied with their condition. They are hurt, they feel it, and they don't know exactly what hurts them. And all this under our so-called protective system.

"Richard Cobden, the great Corn-Law reformer, once said that 'when two masters run after one man, wages are high. When two men run after one master, wages are low.' That is a very bright statement of the law of supply and demand, which lies at the root of all business, and is almost as unchangeable as the law of gravitation. But the questions for us which lie behind Cobden's statement are these: When and why do two masters run after one man? and when and why do two men run

[1] See note, p. 246. [2] See note, p. 247.

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after one master? The answer in the rough to both questions is: When and because business is good; and when and because business is bad. So this law of supply and demand must have something to do with your wages, let alone the tariff. That is perhaps the chief reason why wages in the same trade often differ so much in different parts of this country. The United States Census Report for 1880, for instance, showed in the different iron industries of the country the following yearly average wages: in the Eastern States, $417; Western, $396; Pacific, $354; Southern, $304; the extreme difference between sections being, as you can see, $113 in the wages of a single workman, — quite as much as the average difference between English and American wages. It is also not a little singular, if the protection doctrine be true, that the wages of laborers, like carpenters, masons, and men who build or dig, or work on railroads or on telegraph lines, who, from the nature of their work, cannot be directly protected by the tariff, are often very much higher than in the so-called protected industries; and that too with labor perfectly free to come in upon our people from all the world."

"But ain't our work-people better paid here than anywhere else?" asked Uncle Joe.

"In general, so far as the mere wages go, they are. The highest rates of wages in the world are in Australia, a British and a free-trade country. The next highest wages to our own are paid in England, also a free-trade country. And if you are about

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to tell me, Uncle Joe, that our wages are high because of our tariff I will give you this nut to crack, namely, why it is that wages are much higher in free-trade England than in any protected country in Europe.[1] Indeed, from 1872 to 1875, wages in many trades were higher in England than here. In general, so far as I can make out from the statistics, and brushing away the swarm of misrepresentation which envelops this question, I should say, as a fair estimate, that English wages are generally from one-fourth to one-third less than ours. But all living expenses (especially house-rents), except provisions (meats, vegetables, etc.), are very much less there than here."[2]

"Why, then, squire," interrupted Uncle Joe, "are they always coming out here to take our work if they are well enough off at home and America isn't a better place for the working-people?"

"America is a better place, the best place in the world for any honest workman who will work as the American mechanics do. But God and the American people made it so, not the tariff. The English, German, or French mechanic comes here to better his condition, and he will certainly do so if he will work as American mechanics do, although in the hard times that followed 1873 a great many went back home as the better place for them. No European mechanic can come here and thrive unless he can take up our American ways of work. A manufacturer in Pawtucket told me that after the war his

[1] United States Consular Labor Report, vol. i. p. 178.

[2] See note, p. 248.

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firm imported English workmen in their calico-printing establishment. He said that generally the younger men took to our mechanical ways, got on, and stayed. The elders could not and mostly went back. Go and see how an Englishman calks a vessel, and then see how an American mechanic does the same job, and you will find the difference to be greatly in the American's favor. I know the solid, steady work-power of an English mechanic; but I know that the American mechanic has, in general, more snap, push, sleight-of-hand, than his English brother, and works more hours. Besides, he has more to work for, more ambition to get on and up. When they let out the McKay sewing-machine (an American invention) to the English manufacturers of boots and shoes, it was found, after due trial and investigation, that on these machines the English mechanic could turn off not more than forty-five per cent of what a Yankee could.[1] What is true of the McKay sewing-machine is true of any other, and what I have said of the McKay machine can be proved any day by evidence satisfactory to a court of law. I said just now that American wages are somewhat higher than European wages, and I stand to it. Does the tariff make them higher? Does the tariff create the push, dash, brain, courage, ambition of an American mechanic, which makes him the ablest and therefore the cheapest of all mechanics in the world, or has he done this for himself?

"Let me tell you another fact which the protec-

[1] See note, p. 248.

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tionist seldom speaks of. Considering the return, the value in work which the American mechanic gives back for his wages to his employer, — the American is worse paid than almost any other mechanic in the civilized world, — he is the cheapest workman of them all. For low wages are not necessarily cheap wages to the man who hires; they may be very dear wages.[1] As a rule, a low-priced laborer is an expensive laborer. When Mr. Brassey, the great railroad contractor, was building roads in India he began by hiring Indian sepoys at about twelve cents a day. He found this low price too dear, and saved money by importing British railroad-builders at $1.25 per day, whom he found cheaper to hire. The man who is paid $5 a day and earns his employer $10 is a much cheaper man than he who, paid $1 a day, earns only the dollar. Indeed such men as the last, hired long enough, would break down any business. 'Pauper labor' is not merely poorly paid, it is labor that poorly produces — its results are thin and mean. Let me give another fact in proof. In 1887, in our Northwest, with wages at $25 a month with board, wheat could be produced at a cost of 40 cents a bushel, while in Rhenish Prussia, in the same year, with wages about $6 a month, the cost was 80 cents a bushel. What did that? The tariff? No; the pluck of that most resolute of human creatures in getting on — an American citizen working on

[1] "The inequalities in the wages of England and America are more than equalled by the greater efficiency of the latter and their longer hours of labor." (J. G. Blaine's Report as Secretary of State, 1881.)

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a fat prairie with the best machines — did it, and did it in spite of all the tariff taxes on his back!

"Take a few other figures to show the same fact. Mechanics employed in the United States, 5,000,000 plus. Mechanics employed in England, 5,000,000 plus. Our men produced $8,000,000,000; the English mechanics, $4,000,000,000. These figures are from the report of the Tariff Commission of the 47th Congress. In 1879, Mr. Thornley, an expert in cotton manufacture from Manchester, England, came over to study our cotton-mills. He reported home that the cost of labor here per yard of cotton cloth was less than in Manchester.[1]

"It is not what a manufacturer pays his help, but what his help give him back in work, that determines his profit, and so his ability to keep on. A man who starts out with cheap machinery and cheap labor must go at last into bankruptcy. Business to be successful must use the best tool and the best man. The American mechanic does double work as compared with the English standard, and from two to three times the work done on the continent of Europe, by a Frenchman, a Spaniard, a German, or a Russian. The American mechanic earns better wages simply because he does better, that is, more work. The tariff has nothing to do with that, and could not help him to these wages unless he earned them. It is not the tariff which has carried our manufacturers through our commercial crises and distresses, burdened as they are with taxes, but the

[1] See note, p. 249.

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strong right hand and arm of the American workman, who has carried both man and master; and if that hand and arm are ever free from the tariff chains, he will become master of the industrial world.

"Let me show in another way that his own labor and not the tariff gives the American mechanic his high wages, which are yet so cheap to his employer. Leaving our agricultural products out of the question, and the only goods that can crawl out of this country under the tariff load are (1) either goods made from free raw material, like cotton goods or leather; or (2) goods whose value consists chiefly, not in the material, but in the cheap work of the well-paid American mechanic which has gone into them. (1) As to raw materials: if goods made from some free raw materials can be sold abroad at a profit, why could not goods made from any raw material, wool or iron, for instance, be sold also? I am told that our drummers, sent down by our New-York merchants to sell goods in Mexico, are taking orders for American cottons and English woollens. Why not American woollens? Fifty per cent tariff taxes on wool is the reason.[1] Now I repeat, if you shut out the world, the world will try to shut out you. We have tried this business quarrel with the world, and by consequence our goods cannot get out. Taxes therefore kill the market for what our American mechanics create at a low price. Therefore they paralyze business, on which wages depend.

[1] See note, p. 250.

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Therefore the tendency, so far as this tariff goes, is to lower wages and more frequent shutdowns in the factories. Let me re-inforce this position by the mention of a very significant fact. A well-known American manufacturer, Mr. Sargent of New Haven, has lately been round the world. 'Everywhere I went,' he says, 'I met American cotton goods. I even saw these goods going in through the gates of Pekin, with the American merchant's name on the bales. I nowhere saw a yard of American woollen goods.' What's the matter? This tariff which makes labor lean at home and exports abroad only the ghost of what we might.

"(2) As to goods in the cost of which labor is a large element: if, wherever the value of our goods consists chiefly in the labor our mechanics put into them, and not in the value of the material composing them, these goods can be sold in the foreign markets in competition with foreign labor, does it not prove that we fail to sell, as masters of the trade of the world, simply because the raw material is taxed; and that our mechanics, if they had a fair show, have nothing to fear from foreign pauper labor or any other kind of labor except the labor of the protectionist trying to cast burdens on other men's shoulders that he may put money in his own purse. Let me state one case, like ten thousand others, which occur in our business every year. A certain firm of manufacturers in New England needed some $30,000 worth of machinery to go into a new mill, and ad-

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vertised accordingly. Several American firms competed, but the contract was finally given to an English firm through their agent in New York, who were able to underbid the others, bring their machinery three thousand miles across the Atlantic Ocean, pay the Custom House dues, and yet sell at a profit, because England has free coal and free iron. In this way they tell you they 'protect' American labor. American labor can protect itself whenever this tariff is forced to let it alone.

"The following facts about American labor seem to be now established beyond any honest question: —

"1. The American farmer pays the highest farm wages and yet is able to compete with the poorest paid help in the world. 2. The natives of India engaged in making 'gunny' cloth, the lowest-paid of any engaged in manufactures (12 cents a day), have been driven out of their own market by the American manufacturer, who pays from seven to ten times as much to his women operatives. 3. In the Bessemer steel business our output per man is more than 50 per cent greater than in England. 4. The cost in wages of weaving 100 yards of print cloth in the United States is 40 cents, against 55 cents in England and 60 cents in Switzerland, though we pay the highest wages — from 80 cents to $1.12\frac{1}{2}$ as against 65 cents in England, and from 44 to 49 cents in Switzerland.

"5. In the calico-printing business the printers often get $4.50 a day, and can turn out, with a

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helper, from 12,500 to 20,000 yards a day. Germany, paying one-third the wages, cannot compete with us in print cloth.

"6. The American clock and watch makers, paying four times as high wages as are paid abroad, can undersell their European competitors, and exported, in 1887, more than double in value what our exports of wool and woollens came to.

"7. In Lynn a pair of lady's gaiters can be made for 35 cents, cost of labor; while in Erfurt, Germany, where wages are one-half lower than with us, the same kind of gaiters cost nearly 70 cents.

"8. Nowhere in the world has it happened that wages have gone down when raw material has been free. Always wages have gone up.

"9. In spite of our immense resources as a nation, and because machinery is multiplying every year and consequently our production, it is as certain as anything in the future can be, that, owing to a consequent tendency to a glut in our home market and our inability to contend successfully in foreign markets, our so-called protective system will at no distant date drive down wages and keep them low."[1]

"But last 'lection, squire, they told us to vote Republican and tariff to keep up wages, for the laboring-man, they said," interrupted Uncle Joe.

"I know very well they did — a trick of theirs. The laboring-man has a vote, in fact he decides who shall be president, and those gentlemen of the Pro-

[1] See "Relation of Tariff to Wages." David A. Wells.

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tection stripe dearly love a laboring-man — election times. 'Whom the Lord loveth He chasteneth,' but whom the protectionist loveth he robbeth, loving himself least that he may rob the other fellow most. When the man 'who went down from Jerusalem to Jericho' fell among thieves, they stripped and wounded him, but then they left him alone with his wounds, to lie still or get up as he would or could. But when protection strips a man of his due wages or use of his wages in buying him comfort where he can buy cheapest, then it comes round election times, and slobbers, in the anaconda fashion, the laboring-man all over with its sick sympathy, which conceals a purpose to get some more goods out of him on false pretences. No, men, don't believe me or any man who talks that way to you. Put wolves, if you like, to shepherd the sheep; dogs to tend cats; hawks to brood over chickens; but never trust a dyed-in-the-wool protectionist to raise a man's wages or to overlook a laborer's comforts."

"Hard again, squire, on our feller-citizens; darnation tough, that is," Uncle Joe broke in again.

"Well," retorted Mr. Freeman, "I mean to be. If they are not ashamed of the thing — I mean their sickening, slimy sympathy for the laboring classes, in an election struggle — I am not ashamed to speak the name which describes that thing. Look at their record; some of them, I mean, not all. They tell you they want a high tariff to protect the wages of the American workmen, and then they bring over

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here poor, ignorant men from all over this world, and from the other world, too, if an emigrant ship could get there, to break down their wages. Look at the Pennsylvania coal mines and the Hocking Valley horrors; with men working for sixty cents a day, two days a week; and Hungarian women tending coke fires, with insufficient clothing, until the legislature had the decency to forbid the women by statute. Congress, even, has been forced to forbid contract labor; that is, the hiring of men abroad, paying their passage money here, and then using them under a written contract in the mines until the passage money is repaid, as well as their score at the agent's store, where prices are from 100 to 200 per cent higher than elsewhere; all to protect the dignity and comfort of American labor. They have even tried a new dodge lately. When the operatives in a New Jersey woollen-mill struck and went out for higher wages, as they had a right, and sometimes, as in this case, ought, the mill-owners sent to the Pennsylvania mines and brought from there a gang of poor Hungarians to take the strikers' places at wages which were a decided advance over the pittance they had been formerly receiving. Now a great danger shows itself in that transaction. You have only to break down gradually any large class of laborers into abject poverty; then pit them against another class of laborers a trifle better off, as these Newark strikers were, — break them down, too, until the laborers of the United States are under the heel of

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the men who hire, having assisted to destroy each other by a pauperism gradually but systematically forced upon them. What is the defence of labor against all this threatened misery? A wise, stern vote from labor at every ballot-box — not for 'Protection.'

"Now I will show you another way in which tariff protection deals with labor. When a man comes into my office, asking for work in my mill, he simply is trying to sell me his labor, — the only goods, perhaps, he has to sell, — certainly his own. When he stands there, all the labor in the world is free to compete with him for my wages. Protection always favors free trade in labor, for that it must buy. But when I have hired the man and paid him wages, he also wants to buy something where he can buy it cheapest. But now the laugh comes in against him, for he is not allowed by the tariff to buy, except at protection, that is, inflated prices, where and as the tariff says, as any other slave. Explain it how you like, the plain fact is that the American laborer sells his labor in a free-trade market and buys his comforts in a protection market. Now I ask, if it is right to 'protect' the employer against competition, how can it be wrong to protect his workmen also? Here, I fancy, is the main reason of the unrest and dissatisfaction among our workmen. Wages are often high enough, if the tariff taxes were not higher still; but wages lose their purchasing power, — or, in other words, prices are raised

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unnaturally, often one-third, or even more. Under free trade the same wages would buy one-third more comfort — that is to say, a workman's wages are taxed away at least one-third. The working-man feels a loss but cannot tell exactly what the matter is. I say this in order that you may see that if in England wages are less, prices are also less, and the difference in the workman's comfort there and here is less than is generally supposed. Free trade, therefore, while it would not diminish wages, would give the working-man at least a third more for every dollar he earned. To-morrow night I will show you what free trade is."

As Mr. Freeman went out, he said to Uncle Joe by his side, "I don't see Farmer round to-night. He generally has something to say among the men, and I like to have him."

"No, squire. Farmer's in a peck o' trouble. Bank wants his mortgage, and he hain't got no money to lift it, and out of work, you see."

"Hum! mortgage on his new house. There's too many of those things round almost everywhere — thick as fleas out West, I hear, among the farmers; too many for anybody's comfort. Well, a debt must be paid, if it takes a house or a leg. That's business. Good-night."

Yet it was not business, but something else — the man in him, perhaps — which led Mr. Freeman, after he had left Uncle Joe, to turn sharp away from home down the lane to Farmer's house, which stood a

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little out of the village, with a grove of pine-trees behind it.

It was a rather new and comfortable house, reaching from the lane back to a small barn, with pens for pigs and hens; and all had a tidy look, as though well kept. There was a light in the ell part, so Mr. Freeman knocked there.

"Come in," said the gruff voice of Henry Farmer inside, so he went in. Farmer was seated almost over the kitchen stove, alone, with his hat on, and when the other man came in he neither got up nor reached out his hand nor smiled, but merely said, "Evening, squire."

The squire helped himself to another chair by the stove. Then he went to work.

"I hear your mortgage on this house is called in."

"Yes."

"How much is it?"

"Five hundred dollars."

"Have you the money to take it up?"

"No."

"What are you going to do?"

"Don't know — don't care very much anyhow," and he sat looking down at the stove. Here was labor at bay, and grim, as a strong man in danger usually is.

"I'll take up that mortgage for you, Farmer, three years and six per cent; and, if you're late, then we'll try again."

"You, squire! why, you're a Democrat and I

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gin you 'siderable sass at the foundry the other night."

"Never mind what I am. I'll do as I say; and as for your 'sass,' you're all wrong on the tariff question, but I don't mind your 'sass.' You wouldn't rob a hen-roost, to say nothing of a big country like ours. You're a hard-working, honest fellow, as I know, since we boys went to school together, and both of us got flogged twice the same day by that fraud of a red-haired schoolmaster. I've got the money and you've got the house, and it will go hard if we two can't hold on to one house between us. Where's the mortgage?"

"Bank's got it."

"Well, come round to the office to-morrow morning, and I'll draw the papers to save you expense, and we'll 'try, try again,' as the song is."

Farmer said nothing to this, but sat staring at the squire as if in a daze. The latter waited while Farmer seemed to be thawing out as though he had been frozen up by some blast that had gone to his very marrow. At last, when, in this process, he came, as it were, to himself, he slowly stood up and reached an open hand across the stove to the squire. "I never thought this of you, squire."

"No, I know you didn't. But here I am all the same."

So the two men shook hands. It would not be safe to say that there was no moisture in two pairs of eyes just then.

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"What are you going to do, Farmer, now the foundry's shut down?"

"Don't know, squire. Go peddling essences or paper round the country, p'raps, suthin' to keep the wife and little ones from begging."

"Oh, nonsense, Farmer. A good mechanic like you, in health, need never lack work long at a time. I need a man at the house and to look after the horses. You're my man. I can depend on you, and we'll fix it after the mortgage is taken care of." So Mr. Freeman rose to go. "Comfortable house this of yours, Farmer."

"Yes, I've tried to fix her up a little, odd hours; but she takes a deal of trouble." (When a laboring-man or sailor takes heartily to his house or ship, he shows his affection by speaking of it as a woman.) "P'raps you'd like to look round."

So Farmer, with a kerosene lamp in his hand, led the way round the house. It was a workman's home, with a workman's wife to keep it clean, well painted, stoves polished, a sprinkling of high-colored chromos on the walls, describing improbable babies and impossible landscapes, some easy-chairs with knit tidies over their back, lace curtains in the best room, and some old-fashioned hair lounges, with family portraits on the centre table, the neatest of white bed-spreads in the sleeping-rooms, and a sink with its fat pump, where the housewife washes dishes, which would long ago have been scoured into

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holes like a sieve, unless the material of it had been of iron.

"Come see this little feller here in the cradle," and Farmer's big red hand reached out to lift, tenderly as a woman might, the cradle blanket under which, with hand under chin, a chubby, rosy little boy was sleeping the sweet, sound sleep of childhood, untroubled by mortgages or taxes. Mr. Freeman was a bachelor, but he liked children, and now bent down over the babe and for some time seemed to be watching the blankets rise and fall as the babe went on breathing and sleeping. Then he went back to the kitchen softly on tiptoe, Farmer following, lamp in hand, and at last said, "Do you think now I would knowingly go back on the babies like yours in that cradle, by advising their fathers to a course of action, like smashing this tariff, for instance, which would harm them — less bread, thinner blankets, and a tenement-house for home?"

"S'pose you wouldn't, squire."

"No, nor any other man with a soul in him. Believe me, there is a cruelty sharper than steel can make it; the cruelty of those who, in any land, make the workman's lot harder, and his babes leaner, by taking from him, under the disguise of law, his due wages and his comforts. Good-night."

So Mr. Freeman went out into the sharp, frosty night, homeward. The stars were overhead, numberless as ever, and one star just above the eastern horizon was breaking into a corona of green and

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crimson flames, like some magnificent diamond on a queen's brow. He looked round at it all as he walked on. This was what he thought, "What a splendid world this is.. What a magnificent creature is the human race. And yet how little and mean some men show themselves to be!"

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CHAPTER VIII.

"I SHALL try to show you to-night," Mr. Freeman said, the next time he met the men at the foundry, "how free trade would be a blessing to both manufacturer and mechanic; professional men, railroad men, farmers, working-women — indeed to all classes in this country, except the monopolists. By monopolists I mean those men who have an unfair advantage in money-making over other people, under our present tariff, and whose business is unjustly fattened at other people's expense by tariff taxes. I very early in these talks explained to you that the free trade which men like me advocate does not abolish custom-houses or tariffs, but only changes the laws under which the custom-houses collect a revenue to pay the expenses of the national government, which all men agree must and ought to be paid, and arranges a tariff not to put money taken from one man's pocket into any other man's purse, but to put money into the national treasury — a tariff for revenue only. I will have nothing to do here with the question whether this is the best way to raise our national revenue, nor whether our whole system of taxation — municipal, State, and national — might not be very much altered for the better.

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But, as things stand, both free-trade and high-tariff countries tax certain imports; and as the United States — as well as the rest of the civilized world — take this way of raising revenue, and we are quite certain to continue some time longer in this fashion, whether the Democratic party or the Republican party is in power, it seems to me a mere waste of time to inquire here whether there be not some better way.

"The protectionists accuse us in an exceedingly loose way of holding very revolutionary and destructive doctrines as to how business should be carried on, and misstate our position, either in plain terms, or, worse still, by insinuations which, if true, would make us all anarchists, and crazy anarchists to boot. To cry out 'Free trade' has been a favorite pastime with these gentlemen, and I am sorry that a great many otherwise sensible people have taken to the woods and swamps of the protection fallacy for refuge, when there was only in free trade a free gift in hand for the whole people. I, for one man, am sick of this whole business. I object to this hue and cry — this attempt to put opinion in the pillory; all this smoke without fire — raised against us. The opposite of free trade is slave trade, — restrictive trade, bond trade, serf trade, helot trade, chained trade, — yes, slave trade, with the overseer's lash sounding through all your halls. By this tariff, as our buying, selling, and working now go on, we are made fellow-slaves to a hundred monopolies; lackeys to a Penn-

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sylvania coal pit; serfs to a Syracuse salt spring; abjects to a sugar trust; minions of Wisconsin and Minnesota lumber yards; fellow-citizens in paying debts we never incurred, to swell a purse that was never honest; equal only as we are alike subject to a common wrong and a common hurt. I say all this when I repeat this tariff is unconstitutional, as the Supreme Court has already decided. Free trade is simply a way to raise revenue by a tariff for revenue only — in a way as equal and just to every honest man as possible at present."

"Then would you kill this tariff altogether?" asked one of the elder men.

"I suppose you mean to ask me whether I would sweep away this spook and ghost of protection out of the tariff and all at once, for I have just told you our need of a tariff for revenue. To reform is never to destroy, and all true reform attempts to remove an evil, not a good, and never wishes to destroy good and bad together. Now what I would do is of no great importance to any one except as he finds my opinion to be just and wise. I am not in politics, nor is the tariff issue in my keeping. But one thing, I am sure, is necessary. Our struggle with the slave trade of protection is going to be long and bitter. No abuse that has had money in it for the abusers has ever been voluntarily given up. It was never seen among men that any set of men having a monopoly of money-making, from Congo negro stealing to a Boston sugar trust, ever gave up their ad-

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vantage of their own free-will or until somebody forced them to end. That rule, I am sure, will hold with those overlords of our American industries — the monopolists. They must be forced to let go. They must have a ticket of leave given them to disappear, with the police of a vigilant citizenship to keep strict run of them. If you do not break their hold, you will be held. To break that hold, the people must be instructed before they are marshalled at the ballot-box, where under our laws our national policy is ordered. In this instruction brains and honor must be kneaded together. We must have no shuffling, no evasive, no dubious arguments. When that is done, protection, with all its fallacies and robberies, is doomed, whether the doom-day be close or far. A great reform must know, beyond any shade of doubt, what it strikes, why it strikes, and how to strike. Then the blow is bold and home. When you have convinced the American nation — I mean the rank and file of it — that the whole protection theory is a fallacy, a delusion, and a snare, its days are numbered. It is a matter of vastly less importance on what particular day the people's verdict is carried out.

"Now, to apply this to 'practical politics.' The party which crosses the trend of its own principles perishes. But every party may choose with what haste or delay, or in what fashion it will carry out its principles. In the case of the Democratic party which now is, confronted as it is by an unscrupulous

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opposition, given to every form of misstatement and accusation, and alert to take advantage of the Democratic virtues of frankness and justice in dealing with the people, it is inevitable and reasonable, even on the ground of honest politics, that it should go slowly and with caution in making tariff changes, wait patiently for the people whom it must instruct in correct tariff principles before it can win or be entitled to the victory, and thereby give a part of good to the nation, where in attempting to give the whole it might for four years lose all. This is a well-recognized rule of statesmanship over the civilized world. But one thing the Democratic party cannot afford to do and will not do. It cannot afford to obscure the foundations on which it builds its national policy of a tariff for revenue only. It must affirm that this whole protection business is an absurdity and a fraud — expensive, needless, unnatural; a chain on the right hand of labor and a thief's hand in the pocket of even the honest manufacturers themselves. In other words, it must go up to the fact, and, standing by it, pour all the light it can upon it. The Democratic party has already given ample guarantees of a conservative policy in the future, in all the patient but firm utterances of its great chief, Grover Cleveland,[1] in his tariff messages, and in its late formulated bill for tariff reform, known as the Mills Bill. This care and patience were indeed owed to national interests, which have a right even in reform to a judicious and well-timed moderation in every patriotic

[1] See note, p. 251.

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and honest administration. But one thing I deny, here and everywhere, for myself and the men who agree with me. I deny that the monopolists, as such, and their Washington lobby have any claim to forbearance, to a reprieve, or a right to anything except what they have power to take out of their own past conduct and their present attitude. They are entitled to their 'pound of flesh,' if it be theirs; but no hide nor hair nor mote of flesh more. They will need all they have got, fair or foul, before they are departed on their tariff bier to the final rest of the unjust. For look! When the Democratic party, in a way of conservative tariff reform, offered the country the Mills Bill, which reduced tariff taxes only from 5 to 7 per cent on an average, and which left our tariff then higher than the American tariffs, under which our country had grown up, had been for some 66 years out of the 90 years since our first tariff in 1789, they set their pack to bay at them as free traders bought with English gold. If the Mills Bill made a free-trade tariff, then I say the American tariffs for 66 years have been free-trade tariffs, and that free-trade tariffs are the traditional policy of the Republic, and that the present protective tariff is an innovation against American precedent, which, having been put on trial and found wanting, must now go out as an expensive novelty which is not 'a success.'[1] I think, moreover, that the behavior of certain Republican leaders towards the Mills Bill furnishes proof, if any were needed, that they feel

[1] See note, p. 253.

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themselves standing on a quagmire, which any hour may sink them in the mud, and still that they must stand where they are, and either go up or under. For them, as Macbeth says, 'Returning were as tedious as go o'er.' For if they thought that the Mills Bill, with its small average reduction, was a blunder against our business interests, they would have allowed it to pass, because if it had been that, both the Democratic party and tariff reform would have been buried by the disaster they had created, beyond resurrection. That would have been a cheap way for the country and the Republican party to be rid of Democrats and other lunatics. What they apparently thought was this: 'If the people get a taste of tariff reform, they will demand some more;' and so managed to send the nation back to its husks again, — its State majorities being won through ignorance. For the raw material which protection uses to create its votes, is and must always be, the people's ignorance, and this stock in trade is very rapidly running short. In a country like ours, where laws cannot be made without the consent of the governed, the public can only be robbed after it has first been deceived. True reform never goes back, and tariff reform is already some distance along its course.

"Of course I would like to bring you and the whole country to become tariff-reformers. But I have found three classes of men, — not large classes, I am happy to say — in this community, with whom

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I have had bad luck. The first class remind me of a buzz-saw in motion and a lunatic all in one. Set a man of this sort going with a modest suggestion of reform, and he breaks out against you with a swift harangue, all over teeth which he calls arguments, which, whether that man's position be right or wrong, has no sequence, coherency, or connection with much in this world or the next, and you are glad to get rid of the buzz. The teeth are only paste. Such a man, in his explosion of chaotic utterances, refutes multiplication easily, sets addition and subtraction by the ears most graciously, makes division drive out fractions very sternly, and becomes himself a sphere, a solid globe of indescribable absurdities. Or you have heard, possibly, a poor lunatic, when somebody comes into the room, say, 'This is John.' You answer, 'John is dead ten years ago;' 'John is a hundred miles away;' 'John has gone to sea;' 'This is James;' or, 'This is William.' To all your statements comes back the sad reiteration of the mindless invalid, 'This is John.' Nobody ever convinces a buzz-saw or such a mental invalid as goes round saying 'Protection is right, because it is right.' Then, as a second class, I have met some men who say, 'We agree with you that free trade is right in principle, but it is wrong in practice.' But what is a principle but the statement of a law derived from facts? And then, in the third place, there is the man who says, 'I agree that free trade is right, but this is too soon to begin

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to change the tariff.' Such a man would come late to the day of judgment, unless he were well policed on his way thereto, and compelled for once in his life to be on time. And still I find another man, in this same class, who says, 'This tariff may be unjust, but it has stood so long, so many interests are so bound up with it, there's so much trouble altering it, that we had best let it alone.' Monopoly has been allowed so long that any man is wrong to meddle. I might answer, this tariff has stood only twenty-five years out of one hundred since the country was; that the honest interests of trade and labor go with us, and that troubles are sure to be a thousand times more multiplied if we don't dry up the fountain than if we do.

"I will only answer this: Wrong is wrong, and a right man will never have fellowship with it; and that it is a queer argument to say that because an abuse has managed to live ten years, and the abusers have made millions by it, therefore both ought to be let go on forever.

"Free trade, then, submits these statements, among others, for its foundation principles: To trade free is the natural condition of man; restrictive trade is always artificial; men can regulate their own buying and selling better than the state can, and should therefore be let alone. All commerce, or trade, is an exchange of commodities, a barter, in short, and every country should be let buy in the cheapest market and sell in the dearest. If a nation won't

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buy of its neighbors, its neighbors won't buy of it. No imports mean no exports, and no home market can take all its home goods. Reciprocity of trade means prosperity of trade. Natural law has forbidden that any nation shall own the whole earth for its own market, to the exclusion of all other nations. It is wise, therefore, in nations to exchange their goods between each other with the smallest restraint and friction possible. Scarcity of anything which the human race needs is an evil; plenty is a good. There is a good scarcity and an evil scarcity. In trade, that scarcity is evil which arises from plenty being kept out; that scarcity is good which arises when demand runs beyond free supply. There is also a good plenty and an evil plenty. That plenty is evil where supply outruns the demand — a glutted market. That plenty is good where the industry and prosperity of a country create and consume the plenty to create it again — a lively market. There are also two kinds of dearness and two kinds of cheapness: the bad dearness is where prices rise from forced scarcity; a good dearness, where prices are raised by an over-demand. The good cheapness is from abundance; the bad from no demand, the inability of consumers to purchase. High tariffs create the bad conditions in all these cases. Free trade creates the good. Men may be divided into producers and consumers — sellers and buyers. On the surface these two sets of men seem to have antagonistic interests; in reality, the interest of each is the

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true interest of both, and they should be left to make their own adjustments. If you hurt the consumer you hurt the producer. The prosperity of the buyer is the prosperity of the seller. No merchant can profit from a bankrupt customer. Sure pay, prompt pay delights him, and this kind of pay comes from his customers' prosperity. Trade between two men or nations is not a trick for one man's advantage, but a fair exchange for the benefit of both. The great free-trader Bastiat says that the protection fallacy has been maintained among men by looking at what the producer gains and the concealment of what the consumer loses. Fair play, fair trade, in the long run, always pay men and nations best. The protective system, falsely so called, is everywhere organized natural selfishness, which, in the long run, breeds a disaster equivalent to its baseness.

"Now, men, I have had these ideas of free trade printed on these strips of paper, for distribution among you. I wish you would take and examine them. They will require some care, but I am sure that you and the mechanics of this nation, who can look so sharply into the working of any machine under their hands and analyze it, can get at the roots of this tariff question, if you will only set about it."

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CHAPTER IX.

"TO-NIGHT," said Mr. Freeman, when he met the men again, "I am going to cite my authorities, as the lawyers say, in behalf of the plaintiff in the case of Free Trade *vs.* Protection. First of all, I offer nearly all the professors of political economy, here and abroad, as witnesses. I am aware that it is the habit of protectionists to sneer at these gentlemen as mere theorists and not at all acquainted with the needs of business. We are invited to study markets rather than maxims. This protection sneer is undoubtedly due to the fact that the professors are not on their side. Indeed I doubt if there is a professor of political economy in the world, of any considerable eminency, who goes with them. For as long as this world turns, in the exact and physical sciences, mathematics, medicine, chemistry, botany, geology, and the like, and in law and gospel, to recognized authorities, and asks the students of a science to explain it, it will make no exception, in tariff matters, to this rule, to oblige the protection fallacy. In other words, the brain of the educated world which has made a special study of the tariff question champions free trade.[1]

"The next authority I cite is the history of the world, so far as it concerns trade and commerce. This is rather a voluminous citation, but I will

[1] See note, p. 254.

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show you the main facts on which my citation relies, first premising that, in my judgment, the history of the world's business shows that whenever and wherever business has been made free, it has been made prosperous. Take, for instance, the case of Holland — a country of about 400,000 acres of land which could be ploughed, the rest being marshes, and a population of less than 2,000,000 to begin with. Having fought herself free from combined Spain, France, and Germany, she adopted the business habits of freemen — 'trade unfettered, unimpeded, and unlegislated upon,' — while all the rest of the world (England under her aristocracy included) chained up their prosperity with protective tariffs. Under free-trade conditions, she was at one time the dominant naval power of the world. 'Though not raising a bushel of wheat, Holland became the best place for Europe to buy grain; though she did not possess an acre of forests, there was always more and better timber to be obtained in her ports than elsewhere; and though she smelted no iron and did not raise a sheaf of hemp, her fleets became the best that sailed the seas;' and all 'because,' to use the words of one of her statesmen in 1745, 'she had the wealth to pay for these commodities, and possessed this wealth because trade and all exchanges were left unimpeded.' [1]

"Take the case of Belgium, her next neighbor. Under Napoleon Bonaparte, by military rule, 'protec-

[1] David A. Wells: Article on Free Trade. Lalor's Cyclopædia of Political Science, vol. II. p. 310.

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tion' was carried to that degree that the importation of all foreign goods was forbidden, and all such goods, when found in the country, were burned, and the man who imported them was quickly and severely punished. Under this system, when Holland resumed sovereignty, in 1814, after Napoleon's defeat at Waterloo, the country had become desolate, and, to a considerable degree, depopulated. The Dutch ordered a low duty, of 3 per cent on raw material and 6 per cent on manufactured articles. Manufactures now sprang up again. But the Dutch and Belgians were never friends, and after their separation in 1830 Belgium, partly to spite Holland, went back to a high protective tariff. But in 1851 the Belgian minister of finance declared in parliament that this tariff was destroying Belgian industries, and in 1855, with the consent of nearly every one, this tariff was swept away and a tariff for revenue only took its place. The results have been simply marvellous. With a territory of about 11,000 square miles (about the size of Connecticut and Massachusetts) — only one-half tillage land; a standing army double that of the United States; a population, in 1876, of a little over 5,000,000, and backed by hardly any national resources except a few coal and iron mines, and Belgium maintains the most dense population in Europe; enjoyed in 1880 a revenue of $57,000,000, of which only $3,600,000 came from customs; has the greatest diversity of textile manufactures, uses more silk than any other country; has an export

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and import commerce that increased fourfold from 1861 to 1870, and for the year 1878 rose to $498,000,000 exclusive of $254,000,000 of transit exports and imports to and from other countries. The protectionist very seldom talks of Belgium. It is a very little place, — would be lost in Texas, — has 'its pauper labor,' I suppose, and yet, perhaps, you and every other American citizen, except he be a monopolist, can pick up a little wisdom out of its statistics.

"Then there are the two Australian colonies of New South Wales and Victoria; the first a free-trade country and the other with a high tariff. They are almost side by side; have about the same soil and climate; the same kind of population, and began with about the same capital or wealth; agricultural and mining communities with a sprinkling of manufactures, all 'infant industries' as must be in colonies not a hundred years old. I have studied their statistics, and I fail to see why in all which concerns wealth and the people's comfort free-trade New South Wales has not greatly outstripped her 'protected' sister of Victoria.[1]

"In the next place, I cite the history of business in free-trade England. I am aware that all the cheap protection politicians think they take something in their net by calling us free-traders Englishmen and not Americans, and charge us with wishing to destroy our own American industries. I suppose it probable that Democrats own a full half of the wealth of the United States and are engaged in

[1] See note, p. 257.

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manufacturing as well as Republicans, and they certainly cannot intend to destroy their own property. I suppose, further, that these same tariff men would have been very ready to quote England's example if free trade there had proved a failure; and I furthermore suppose that her example is railed against and belittled by these same gentlemen just as the testimony of the free-trade professors is, because both go dead against the protection fallacy. I am at the same time aware that this false hue and cry has gained them some votes in the last election, especially among that warm-hearted Irish race who have reason not to love England, or, rather, I should say, the Tory, aristocratic, mediæval; old-time 'corn-laws' class of Englishmen. All peoples are by nature friends. Privileged, 'protected' classes never were and never can be the people's friends, but are by their very position exclusive, careless, cruel towards the masses. The flatulent demagogues of protection told us in the last election and they will tell you so again in contempt of your intelligence, that free trade is an English notion, with which Americans should never meddle.

"It no more belongs exclusively to England than the multiplication table does, than air or light or heat does; it belongs by the laws of Nature to every people wise enough to accept it and profit by it, as the true law of human civilization and progress. The sun is not England's, but the world's; and so is free trade. The question for us is not what

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England thinks, but what we need. Will you throw away a thing because England has it? Throw away, then, the English language and speak the Cherokee or Mohawk or Sioux dialects, which are about the only native American languages still extant. Will you decline to do what England does? Breathe through your ears, then, because Englishmen breathe through lungs. Become honest, and cease to use English inventions, to drink English ales, to patronize English blondes, at your theatres, clad in gauze as thin as your own protection arguments; and contrive to let out, some way, the English blood that courses through the veins of so many of you. Yes, and those of you in Congress who are trying to save their plunder to your accomplices in this gigantic tariff steal, by your official oratory and vote; you who are so American that you would not share in a universal good if it came through an English channel; you who should refuse to use the English common law because it comes out of a thousand years of England's strife for life and liberty, be pleased to cease parading in the cast-off clothes of a refuted and vanquished English aristocracy before the freemen of our great Republic, whenever you use with great servility of imitation the protection arguments of English dukes and overlords heard sixty years ago, when the English people, with the grim threat of civil war, wrested their comfort and commercial liberty out of the twin hands of Monopoly and Privilege and called their victory Free Trade.

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You must think the American people a stupid lot when you offer them such cant, which thinly veils such greediness as yours. Free trade is English only so far as justice, common-sense, and wisdom are — it is only that England has had the wit to take her share of a common blessing which you would have the United States reject, although its birthright.

"Now for the English testimony to free trade for us and everybody as conveying a blessing. England had been a 'protected' country, full of monopolies, for a thousand years and more. The people, led by men like John Bright and Richard Cobden, made it a free-trade country against the will of the privileged classes — an experiment then untried. As a free-trade country it has surpassed all others in all things which pertain to national wealth. The commercial strength of England, which American protectionists say they fear as overwhelming us if we let down the tariff bars, has been developed under free trade and by it. America in two wars did not quail before English guns, nor is there any reason why she should quail before English looms, English furnaces, English shipping, English 'pauper labor,' which is sometimes better paid than our own, nor anything English. We are citizens of a land richer in everything which creates wealth than England can be. This the best minds of England know and say.

"But now look at England's prosperity under free trade. I shall quote my statistics from a speech of

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Mr. Gladstone at Leeds, in 1881, because he is more responsible than most for what he says, and because as a member of Sir Robert Peel's cabinet he shared with his great chief and statesmen like Sir James Graham, the honor in the Corn-Laws struggle of stating publicly in the House of Commons that he had been wrong; that he had changed his mind; that he had come to regard the whole protection system as a curse to England, and was henceforth a free-trader both by experience and conviction. Mr. Gladstone says, among other things, 'I express the opinion that no government that can exist in this country will either soon or late pledge its responsibility to any proposals for restoring protection duties. You might as well attempt to overthrow any institution of this country as to overthrow the free-trade legislation.' He elsewhere in the same speech expresses his conviction 'that the great legislation [free-trade] which marked the lifetime of Sir Robert Peel and of Mr. Cobden rests upon such foundations that nothing can shake it, and that all things said against it are as the idle breeze against the stone walls of the building within which we stand.' 'The true idea of commerce,' he says, 'is founded upon the principle that in the operation of commerce it is absolutely impossible for a country to do good to itself without at the same time doing good to other people.' It is upon this principle, I suppose, that all our English friends wish free trade with us — as a mutual advantage, since good trade for the United

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States would mean good trade for England. 'Fair play' is paying play as between men and between nations. He says, '1840 was the last year in which the protective system enjoyed perfect peace. From 1800 to 1840 population increased more than wealth, and wealth went into fewer hands. In 1841 our population was 26,500,000; in 1881, 35,000,000, an increase of 33 per cent; from 1842 to 1880 wealth had increased over 130 per cent. In 1840 exports were £51,000,000; in 1880, £223,000,000; or, population had grown 33 per cent and exports 340 per cent; savings-bank deposits in 1840, £24,000,000; in 1880, £75,000,000. Our ship tonnage in 1840 was 6,000,000 tons; in 1880, 41,000,000. Crime rose from 5,000, plus, criminals in 1809, to 14,000, plus, in 1814, and in 1829 to 18,000, plus. In 1840 there were 34,000 criminal convictions; in 1880 there were only 15,000. In 1849 there were 201,000 paupers in England and Wales; in 1880, only 111,000 — a decrease of near 50 per cent. Men argue free trade merely as a material question alone. It is just as strong in its political, social, and moral aspects as in its operation upon the production and increase of wealth.'

"'I will take our worst year — 1879. We had £612,000,000 of trade pass through our hands, with a population of 35,000,000. The same year the German Empire, with a population of 40,000,000, had £371,000,000 of trade. The United States, with 50,000,000 of people, had £239,000,000 of

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trade, a large part of it coming to England in the shape of food and provisions. Thus England, with 35,000,000; had £612,000,000 trade, while the United States and Germany, both highly protected countries, with 90,000,000 people, had £610,000,000 of trade. Take, again, three other countries, — France, Russia, and Holland, — with a total population of 121,000,000 and with a total trade of £612,000,000 — exactly the amount of trade England had in the disastrous year 1879 with a people of 35,000,000. Now we are told that America is pursuing a course of profound wisdom in regard to its protective system, and that under the blessed shelter of a system of that kind the tender infancy of trades is cherished, which afterwards, having obtained vigor, will go forth into neutral markets and possess the world. Gentlemen, is that true? Have the manufacturers of America gone forth and possessed the world? To the whole of Asia, Africa, and Australasia, which present to us neutral markets where we meet America without fear or favor, one way or the other, the whole exports of the United States of manufactured goods amount to £4,751,000; ours to £78,140,000. Gentlemen, the fact is this — America is a young country with enormous vigor and enormous internal resources. I say it, I hope, not with disrespect, but with strong and cordial sympathy, and with much regret — she is committing errors of which we set her an example. But from the enormous resources of her home market, the development of which in-

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ternally is not touched by protection, she is able to commit those errors with less fatal consequences upon her people than we experienced when we committed them. I stated once that the day might come when America might claim to possess the commercial primacy of the world. I gave sad offence to many. I know that was an offence to the vanity of those who are vain amongst us. But I think it one of the most sacred duties of a public man to tell the things which he thinks to be of interest and importance, and which may, perhaps, convey a salutary warning to his countrymen, whether his countrymen like to hear them or not; and I will say this, that as long as America adheres to the protective system, your commercial primacy is secure. Nothing in the world can wrest it from you while America continues to fetter her own strong hands and arms, and with these fettered arms is content to compete with you, who are free, in neutral markets. As long as America follows the doctrine of protection, you are perfectly safe and you need not allow, any of you, even your lightest slumbers to be disturbed by the fear that America will take from you your commercial primacy.'[1] Now, then, this is the testimony of a veteran statesman who for at least fifty years has seen and studied the workings of free trade over the world. From a young man he has been recognized as a master of finance, and it is doubtful whether any other English statesman ever put so skilled and wise a hand for so many years to the

[1] See note, p. 263.

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mercantile affairs of Great Britain as he. I have heretofore shown you how this land of ours is able, from her national riches and the ability of her mechanics and her business men, to outmatch the world in trade. Unless it can be shown, as it never can be, that this same land has some hidden and fatal flaw about her, as yet concealed, which renders her incapable of using her own resources for her own wealth, I submit that free-trade England has continued for half a century as an historical object-lesson to teach us Americans that the way to come to our own proper magnitude among the peoples of the world who buy and sell is the way of unrestricted, unchained free trade.

"In the last place, I submit the experience and example in late years of all the protected countries in Europe; simply reminding you that they are and are to be our competitors for the markets of the world. Of course, in the old days they were, for more than a thousand years, protection nations — for the same reason that they were nations under tyrants and privileged classes — because they knew and could follow no better way. But after England broke the protection chains, and as men and statesmen became more civilized, they nearly all approached free trade. So did the United States, when in 1857 (by a vote of 33 to 12 in the Senate and 124 to 71 in the House) it reduced the average duty on all imports to less than 15 per cent, and in 1854 negotiated a treaty with the British provinces for a free exchange of nearly all

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crude materials and mutually free fishery privileges. Indeed, had not our Civil War intervened, it looked as though the country would rival 'Great Britain in freeing its foreign trade and commerce from all restrictions, save for revenue and sanitary purposes.'[1]

"In 1860 England negotiated with France under Napoleon III. the famous free-trade treaty of that year, which among other benefits undoubtedly held the two countries on more than one occasion from going to war. Following this Anglo-French treaty came twenty-seven others, even Russia joining in the movement, so that by 1870, all the great trading nations of Europe had become one great international body engaged in substantially a trade that was free from 'Protection.' This was the era when railroads and such stupendous engineering operations as the St. Gothard Tunnel were carried through in order to assist exchanges between the nations. That this liberation of trade from obstructive tariffs helped it amazingly is shown by the fact that the trade of the six nations, Austria, Belgium, France, Holland, Italy, and Great Britain, from 1860 to 1873 increased more than 100 per cent, while their aggregate population during the same period increased but 7.8 per cent. The Chambers of Commerce and various industrial bodies in France, testified in answer to the inquiry of the French government in 1875, to the great benefit which accrued to French trade and industries from these commercial treaties, and almost

[1] Recent Economic Changes: D. A. Wells; p. 261.

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universally expressed the wish that, upon the expiration of these treaties, they might be renewed upon even a more liberal basis. It is thought that if the same inquiry had been made of the same bodies in every country of Europe, the answer would, at that time, have been the same. Then came, in 1873, a commercial crisis over the world, and a consequent universal depression of trade and industry, caused, as I have before told you, by new inventions, new ways of commerce, like the Suez Canal,—a crisis which has brought the world lower prices in nearly everything but labor prices, lower prices which have come to stay, but which, at the start, created a commercial distress very like the 'growing pains' in a boy, for instance, but also predict greater comfort for the world, and the prediction is now being rapidly fulfilled. It is now generally agreed by the students of political economy, both here and abroad, that the causes of this crisis lay behind free trade, or any other kind of trade. It should be noted, however, that this crisis came to free-trade England some three years after it came to us, and that she bore it better than any other country. All this, however, was not seen by the nations of continental Europe, who, supposing their commercial distress to be caused by their then almost free trade, reacted towards high tariffs, Russia leading the way in 1877 with a tariff almost prohibitory and one of the highest known to modern civilization, as befits a semi-barbaric and slave nation. She was followed by Italy and Aus-

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tria in 1878; by Germany in 1879; France in 1881; Switzerland in 1885; Canada in 1879 and in 1887; Roumania in 1886, and so on. Spain, which increased her foreign commerce fourfold under a liberal commercial policy in 1869, has now a tariff so high that the only relief comes from the smuggler, whose profession is becoming almost as well established in Spain, France, and Italy as it was in the Dark Ages, when but for him, according to one authority, commerce would have well-nigh perished. The re-action towards protection, owing to the general commercial distress, even affected level-headed Englishmen and Dutchmen, and laid the foundation for the 'Fair-Trade' argument of some Englishmen to-day, which Mr. Gladstone answered in his speech at Leeds in 1881, and on several occasions since.

"Now, then, how has this re-action towards protection and high tariffs turned out on the continent? It has simply made things worse, as the protection fallacy always must; it has entangled and bound every protected country in Europe in the unendurable meshes of its own laws. But before I show you that, I wish to remind you of one powerful fact that rules over the destinies of all our industrial competitors on the continent of Europe. I pick up this fact before you because I wish you to see things as they are and to study this whole matter of the tariff intelligently. I consider myself in this argument to be retained by Truth, and not at all by the Democratic party, except so far as in this tariff business

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that party stands for truth and wisdom in handling the tariff question. The fact I mean is this. Your continental competitors in trade are all of them always substantially in a state of war, not of actual war, but in a state of expensive preparation, which is next door to it. Now when we were at war we said to the government, 'Tax us, tax us enough to pay the bills and save the Union.' The government heard, and we paid. But we are now in a state of peace and we mean to stay so. But these European nations, with their exhausting armies, must have exhausting taxes or go bankrupt. I know that this vast armament of nation against nation in so-called Christian Europe is savage, cruel, barbaric, anti-Christian down to its very roots, and that it is the peoples in the power of privileged classes who pay the bills with sweat and blood. If any peoples should not be blamed for tariff taxes or any other, it is these European nations. Let me give a few statistics. In the armies and navies of Europe to-day, there are more than 4,000,000 able-bodied men, all consumers and no producers. There are over 14,000,000 more men in the reserves, armed, subject to drill, held ready for service at any moment; altogether one man in every twenty-four of the whole population. It is estimated that it takes the constant labor of one peasant or of one mechanic to equip and sustain one soldier, and that the whole yearly cost of these armaments is over a thousand million dollars, all consumed by men who produce

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nothing. The debt of all Europe, mainly from past wars, was estimated in 1887 to be over twenty-two billions of dollars, entailing annual interest charge of more than one billion of dollars ($1,000,000,000). It is agreed, among those who have studied this subject, that this vast armament and expense, unless removed, threatens the final destruction of the whole fabric of society. What I wish you to see is that all these nations which compete with you are overweighted at the start in any race for commercial supremacy, and that only the unwise policy of your own rulers, whom you yourselves elect, can hinder America from winning.

"Now, then, let us see how high tariffs — this eternal shutting out and shutting in — have worked in Europe. I have already told you how Italy taxed a poor French corpse and its ashes the round sum of $140 for coming in and going out of Italy because France forbids Italian fruits and flowers; and all the rest is about of that piece, silly, unprofitable, barbaric, expensive, useless. Germany raises a tariff wall against breadstuffs, and Austria retaliates against Germany in the same fashion. Consequently the price of breadstuffs has fallen in both countries — a bad plenty where the masses have only money to buy a little. Exactly the same thing happens to France under a like tariff. Roumania orders excessive discriminating duties against Austrian goods, a duty, for instance, of 600 francs (about $120) on 200 pounds of shoes. Austria sends her shoes and

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other wares to some frontier custom-house of Switzerland or Holland, pays the duties there and so 'naturalizes' the goods, and then sends them, after all the transportation expense, into Roumania, who receives them as Dutch or Swiss imports. Then Roumania reduces a little her tax against Austria so as to get out of her all she can.

"In 1887 Russia raised her duties, already very high, against iron and steel, which Germany had largely imported into St. Petersburg. Germany for answer raises her tariff against Russian wheat, of which she had been taking large quantities. Grain, indeed, is the great Russian export; but as she shuts out foreign imports in the supposed interest of her manufactures, ships to carry abroad her grain must come in ballast, and so her surplus grain must pay a double freight rate for the voyage to and from Russia, — all in the interests of the Russian farmers, Russian protectionists would no doubt say. Then Russia has large coal-beds of the best quality. She taxes heavily all imported coal, and so coal is more expensive than in almost any other European country — a back-handed help to her manufactures, you see; and yet so irregular is the supply of domestic coal that many of her railroads are often obliged to buy the high-priced foreign coal and then charge higher freight rates to the public — to the farmers' grain especially. All for the farmers. Who would not live in 'protected' Russia? And so the comedy of 'protection' that don't protect goes on all over the continent.

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"Look, please, at some more figures to show the working of these 'blessed' tariffs. In Austria — one of the first to go back to the Dark Ages in trade — exports of wheat fell from 6,000,000 hundredweight, in 1878 to 1,500,000, plus, in 1886; in the same period her exports of cattle to one-fourth and of pigs one-half of what they had been; there has been a marked decline in banking profits; an increase in mortgages on real property, and a decline in the consumption of meat and bread, while she is forced more than any other European nation to consume her own products at home. The export trade of Germany with Austria has suffered even more, the decrease in five years ending in 1887 being 70,000,000 florins ($28,000,000). Russia's prohibition of German iron and steel shut up her Silesia iron-mills, and her almost prohibitory tariff against Russian grain has shut up her flouring mills at Königsberg, where only 20,000 tons came in in 1887, as against 60,000 in 1884. Steel rails were higher in 1888 in Germany than in either England or Belgium; but the German iron men complain that because of the tax on their raw material they can get no foreign contracts, but that England and Belgium, despite her tariff, are invading, 'inundating' Germany with their iron; German exports of iron falling off in the year 1887–88 under her high protective tariff 16 per cent, while her imports increased 19 per cent, Great Britain furnishing most of these imports. The late trade statistics of France, Italy, and Russia all show up the same way;

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only Russia, an agricultural country, after three fine harvests, finds her farmers as poor as ever, and France has had the 'protection' baseness, in her colony of Cochin China, to prohibit by a tariff tax of about 50 per cent in favor of French cotton mills, the poor, thin calico which the natives were used to wear, and by consequence the importations have fallen off 45 per cent and the general trade is greatly impaired. The prime minister of Austria is reported as lately saying that 'the European states, by their present retaliatory tariffs, are doing themselves more injury than the most unrestricted international competition could possibly inflict.' The Austrian minister of commerce has also lately said, 'It is important to maintain the outlets offered to the commerce, agriculture, and manufactures of the country. Nay, it is desirable to increase these outlets in various directions. But the only way to do this is to have with the other powers treaties of commerce based on stipulated tariffs. The conclusion of such treaties is now the work before the government.'

"The German nation — I mean its educated classes especially — are in general a sound-thinking people, careful in their conclusions and not apt to be misled. Their political economists, I take it, must have always stood against the protection fallacies, but there were enough German statesmen to follow the high-tariff errors in 1879 to ensure the high tariff under which Germany is now suffering. It was then argued that the effect of such a tariff would be a

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more equal distribution of wealth. The actual result has been to increase the strength of the great bankers and manufacturers, who, freed from foreign competition, now exercise complete control of the home market, and by the creation of a great number of 'trusts' or 'syndicates' have been very successful in compelling the consumers to pay high prices. This result has been the exact opposite to what has meanwhile happened in England, where rich men have become more numerous but not richer individually; paupers are fewer; the laboring classes are individually twice as well off as they were fifty years ago.

"I readily admit that under her high tariff the industries of Germany have made money. It will be always so for a time, and if there were no reckoning-day when the books are forced to be balanced, protection would be a very fine thing for the manufacturers, and a less bad thing for the laborers. But the reckoning-day does come, just as sure as typhoid fever will come from filth, or congestion of the lungs from breathing coal-gas, just as any other law of nature comes to vindicate itself. If a man should go into the paper industry, for instance, just after a high protective duty had been put on foreign paper, as our people did some years ago, he might carry out a fortune with him if he knew when to get out. But if he stayed in too long, say until the business was overdone and the market glutted, the last end of that man would be worse than the first. It is not the least of the high-tariff evils that it makes busi-

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ness very much a gambling operation. There can be no permanent and lasting prosperity in any business which depends for its stability on any sort of government support in the nature of a protective tariff. With the closeness of political parties a few ignorant men could, in Congress, under restrictive duties, paralyze the business interests of the nation. There is this further to be said of Germany, which, until the recent establishment of the empire, was a rather large collection of small states, each with its custom-houses and revenue laws, — that the present imperial tariff, bad as it is, is less restrictive, less burdensome on the national trade, than the old system. The consolidation of the numberless petty German states, each with its custom-houses, into a single empire with substantial free trade between these formerly independent states, gives Germany, notwithstanding its restrictive foreign tariff, the same benefits of internal free trade that our constitutional free trade between the States gives to this country. Nearly all the German Chambers of Commerce have lately declared that the tariff has been a disaster to German trade, and advise a return to freer laws.

"This, men, is the case as I submit it, against the whole doctrine of protection, and against the present tariff of the United States. If there is any worth or use in the experience of other men and nations, any lesson to be gained from the tariff history of Europe, it is that the American tariff is doomed and ought to go. Good-night."

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CHAPTER X.

"I WILL talk to-night," said Mr. Freeman, "on sugar and ships. But first let me tell you a little story to explain to you why so many sensible and honest people still believe in the protection humbug. A middle-aged, well-dressed man, at evening, sits on the piazza of a house he has paid for, smoking peacefully his pipe. All the teamsters riding past and home to their stables, to put up their horses for the night, see him. They think, 'How comfortable he is! What a lucky fellow!' That is what they see — the Seen. What they see is all there — really is. So far, they are quite right. But listen. That man, after he has done smoking, will lay his pipe down by his chair and go indoors, and after a little to bed. Meanwhile, a spark from his pipe has fallen through the piazza-chinks on some shavings the carpenters left there when the house was lately repaired. The night breeze fans all into a flame. The house is on fire. The man himself escapes with his wife; but his children perish in the flames. Nor is this all. His wife, in her hurried flight to a neighbor's, takes cold and dies in a week from lung fever. The house, moreover, was not insured, and is a dead loss to the owner, who is too old to earn another. He

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breaks under his load of misfortunes, he has a stroke of paralysis, and unless charity or some society of workmen to which he belongs feed him, he must go to the almshouse. All this was the Unseen to the teamsters. Was he the lucky man as the passers-by thought? He certainly looked so, but was not, considering both his idle smoking and what came of it. It is just so with the protection nonsense. It looks very fine at the start, on the surface, and that is why so many of our people take to the delusion; but follow it out to its results and it will always be found the deadly enemy to our industry and prosperity. The protection wrong always tends towards the valley of the shadow of death. I wish now to show you how dangerous it is for us to decide the case of the tariff upon the merits of its face and pay no attention to its roots and its fruits, by saying something about sugar. Everybody knows sugar and all use it. But very few know what tricks great nations have been playing with it and how absurdly they have all been hoisted on the spring of their own trap. Ordinary cane-sugar grows in the torrid zone, where the warm sun pours sweetness into the cane and gives a great gift to man. You would naturally say, Let us have this sun's gift of abundant sugar from where it grows so easily, paying for the labor which boils it and the freight that puts it upon the markets of the world, and we will pay for this torrid sun with northern ice, or wheat, or fish, or anything we can raise, as nature has given us. But now that is ex-

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actly the opposite to what the great civilized nations of the world (the United States included and England excluded) have been doing. Sugar can also be raised from beets, and beets grow in the temperate zones. So continental Europe, especially France and Germany, have of late years been trying to encourage, 'protect' the making of beet-root sugar, by bounties, indirect but sure taxes, on their own people as consumers, which have gone into the pockets of their manufacturers just as so much of our tariff taxes does.

"Let me tell you the story briefly of this particular silly but costly tariff steal. Barbaric Russia led the way, as was fit, back toward the ancient, mediæval darkness. Nearly forty years ago Russia gave a specific bounty on all Russian beet-root sugar. Next, as a substitute for this bounty, she put an almost prohibitory tariff tax on all foreign sugars. Her home sugar increased rapidly for years, and her sugar-refiners made large profits. Under the stimulus of a high excluding tariff in 1881, the sugar-refiners produced just enough to supply their home market. In 1882 there was an excess of production. Prices began to fall and sugar-refiners to fail. They could not export their surplus, because they could not compete in foreign markets. At home they had already a perfect 'protection,' and there was no more possible. They then asked their government to give them a bounty on their surplus sugar when they exported it. The government agreed to

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do this to the extent of 70,000,000 pounds yearly at a cost to Russian taxpayers of $1,200,000 each year, and also a remission of all internal taxes on the same. Under this arrangement, in January, 1886, the Russian sugar market was found to be hopelessly glutted, and the sugar-refiners begged for a bounty on all the sugar they chose to export. This was granted for a period of six months, or until July, 1886. In these months the Russian exporters poured 227,000,000 pounds upon the English and Italian markets, and yet there remained at home in July 105,000,000 pounds unsold and unsalable. What Russia has done since in the sugar business, in its war on the business laws of the world, I neither know nor care. I only know that she is bound to get the worst of it in this silly, miserable business, and I cite Russia as an object-lesson to show you how every high-protection business curses at the end everybody, even the protected manufacturers themselves.

"Next take the case of Germany. No country in the world with a high 'protection' tariff in times of peace is or ought to be called a civilized country. Germany went to work this way. In 1869 she said to her sugar-refiners, 'We have a shrewd plan to assist you and Germany at the same time. We will put an internal tax on all the sugar you produce; first on the beet-root itself, and we will calculate this tax on the basis that it takes 12 pounds of the root to make one pound of sugar, and on all beet

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sugar you export we will give you a drawback or bounty equivalent to the tax paid on the beets.' The first thing the sugar-refiners did was, by scientific processes and cultivation, to get more sugar out of a pound of beets, so that, whereas in 1869 it took about 12 pounds of root to make one pound of sugar, it took in 1886 only $8\frac{8}{10}$ pounds or only about three-fourths as much root. In other words, the sugar-refiners got a bounty, an absolutely free gift, on what they thus saved by their skill in growing and extracting sugar; paid no internal revenue tax on about one-fourth of the roots consumed, and so made large fortunes — out of a 6 or 7 per cent net profit from the sugar bounty. Of course production rose — from about 50,000,000 pounds in 1876 to 600,000,000 pounds in 1885. In 1883–84 Germany exported three-fifths of her sugar product at a cost to her of about $8,000,000. Meanwhile the other continental dupes followed the German plan and offered higher bounties and so became competitors with her in the markets of the world at the expense of their own taxpayers. Meanwhile free-trade England kept open house for all sugars, and as foreign governments had paid one or two cents a pound as a gift to the English consumers, to give them cheap sugar, England paid only about one-half what the citizens of France and Germany paid for sugar, consuming more than 70 pounds per head, while Germany only consumed 17 pounds per head. It is computed that in this way alone the English peo-

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ple save about $25,000,000 yearly. Nor is this all. The English people, having been presented by these kind neighbors with the free gift of $25,000,000 worth of sugar, proceeded to use it (1886–87) to please themselves. All sugar manufactures grew immensely; they gave it to their English cattle: their scientific farmers advised it in certain cases to be used for manure. Perhaps the loudest 'laugh,' however, comes in with the 'jam' business of Great Britain. In 1884 it is computed that the jam industry consumed 200,000,000 pounds of sugar (in 1888, 300,000,000 pounds), employing more than 12,000 men, or double those employed in British sugar refineries. So while England raises very little of the fruits which go into 'jams,' but imports them free of duty from foreign lands, she took her cheap sugar and with a smiling face went out and controlled the 'jam' market of the world and carries back her German sugar, she got for almost nothing, into Germany, and drives out with their own sugar the German 'jam'-makers from their own markets. It is said that a large number of English mechanics are now using orange marmalade — usually a luxury — to a large extent instead of butter; and most Englishmen have found out what we Yankees haven't, that free sugar is a good thing. Is it any wonder that lately in the German Reichstag a deputy said, 'Gentlemen, I fear that this system (meaning the bounty system) has made us the laughing-stock of our English cousins'?

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"The United States, too, have been taking a hand in this sugar business. We raised in 1885 about 227,000,000 pounds of cane sugar, and we exported 252,000,000, plus, or about 26,000,000 pounds more than we raised, our exports of refined sugar having risen from 22,000,000 pounds, in 1881, to the amount just mentioned as exported in 1885. What is the secret of our great increase in our sugar exports? Simply this. This sugar, when it came into the country raw, paid the tariff duties and our tariff laws gave a rebate, as it is called, i.e., so much money given back on every pound of this sugar when exported, and this rebate was estimated by the English sugar-refiners (a sharp set of men who know sugar) to amount to 39 cents profit on every hundred pounds, and our taxpayers footed the bills. That this was so would seem to be shown from the fact that when the treasury reduced the drawback on exported sugar to 17 cents, the exports the very next year fell off to 164,000,000 pounds, plus, and in 1888 fell still lower to 34,000,000 pounds, plus. The United States also practically give a bounty to Sandwich-Islands sugar by admitting it free of duty, while all other sugar imports are taxed, and this bounty now amounts to $6,000,000 per annum."

"But we never knowed about all this, squire," interrupted one of his auditors. "We've hearn tell of free coal, free iron, free wool, but we haven't heard much about free sugar."

"But you'll hear plenty more before long about

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free sugar," replied Mr. Freeman with a laugh. "The fact is that the sugar tax stands somewhat by itself, for the reason that the sum total for revenue — in other words, the tax on sugar — goes nearly all of it into the treasury, hardly more than $12,000,000 being raised here, and the amount of the indirect tax going to the sugar-grower, both taxes being paid by the consumer, is small. To make sugar free would greatly reduce the revenue; so much as perhaps to make it necessary to keep on the taxes on iron, coal, and wool, and for that reason I am inclined to think that the Republican leaders will be found going for free sugar, and then, what with free whiskey and tobacco, it would be claimed that it will be impossible to lower the other protection duties and pay the running expenses of the government. Either this, or these leaders will try to increase the national expenses by monstrous pension bills to catch the soldiers' vote, by bounties and subsidies, so that it will need all our present taxation and more to meet our national expenses. The one thing these leaders won't do is to set to work and honestly reduce the tariff taxes. The Democratic party, without taking any particular stand about free sugar, simply said in the Mills Bill, Take the taxes off of lumber, salt, and wool, and if the people are pleased with the results which follow we will see about sugar.

"But let me go back to my history of what has happened from this sugar-tariff craze in Europe.

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First of all, it has disturbed and confused the business of the world and legitimate commerce between nations. It has gone hard with many of the West India islands, where there is no bounty, and forced them either to give up sugar-raising or to raise it by large corporations availing themselves of the help of larger capital, the best processes, and the best machinery. There is danger, both there and in Java, of the people giving up sugar-raising and relapsing into barbarism. I can show this by an illustration. Suppose a man should come into Rabham with a great stock of groceries and give them away for nothing. You will see that he must break, or the other grocers, perhaps both. Certainly he would unless he had immense wealth behind him, and even then it would be best for his finances for him to die young. If a nation is fool enough to give away two-fifths, say, of every pound of sugar it exports, it is going to get hurt, and so is every other nation without a bounty and in the long run with a bounty. The fellow who can hold out longest is the one who can stand having sugar given him. But this is not business, it is a reckless way of gambling where the bank table is dead sure to clean out the man who plays against it.

"How far the states of continental Europe have been hurt in this insane dance of sugar duties, and how sorry some of them are over their expensive silliness, appear from two facts, — (1) The steps in the sugar disaster are these: first comes a bounty

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and everybody makes money; the success increases production; then there is a sugar glut at home and abroad, owing to increased competition; then the sugar men fail; then the refineries are closed and production is vastly diminished; then one or two poor sugar crops aid the sugar scarcity, and so it has actually turned out that a sugar bounty comes to create a sugar famine. Then the fools who learn nothing may begin again and by the same steps reach the same disaster. It is a much better way for the governments of the world to give sugar a rest. If let alone by 'protective' tariffs and bounties, it is quite able to take care of itself. (2) Ten European states and Brazil, in 1887, sent delegates with credentials to a sugar 'conference' in London to consider the whole system of the sugar absurdities I have mentioned, and at their first meeting agreed to submit this new rule of conduct to their respective governments for acceptance: 'The high contracting parties engage to take such measures as shall constitute an absolute and complete guarantee that no open or disguised bounty shall be granted on the manufacture or exportation of sugar.' This conference, owing to serious differences among its members as to how this rule to which they all agreed should be carried out, adjourned to meet again in 1891, without further results. By that time perhaps the laws of nature will have so far conquered that continental Europe will have learned a little wisdom from the widespread disaster fallen upon these peoples

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from a silly attempt of rulers to outreach and master those unchangeable laws of trade which are backed by all the material and economic facts of the globe.

"Now, men, if ever you hear Congress talking of giving bounties, repudiate the whole business as a hoary-headed and convicted fraud. Throw your vote sternly against any man or any party who advocates the expensive nonsense.

"Now, then, I am going to speak of ships and then of American ships. Continental Europe has also been giving bounties to its shipbuilders, in order to increase their foreign commerce. Now ships are not the parents of commerce, but its children, and the law is: no commerce, no ships. Ships are the wagons of the sea, and of what use is a wagon if there be no load to carry? Will a man raise any corn if he buys a hundred ploughs and cannot own or hire a single acre? France and other nations only half civilized in trade thought it a good thing to buy plenty of wagons, plenty of ploughs, to begin with. France, at least, thinks so no longer. For in 1881 she offered a bounty of $12 a ton on iron and steel ships built in French dockyards and a subsidy of $3 per 10 tons for every 1,000 miles sailed by French vessels, and also allowed her citizens to buy foreign vessels and enter them under the French flag. The results have not been altogether agreeable to Frenchmen. At first almost everybody built ships. Government paid out much money out of the national pocket and got its ships, the French ton-

[1] See U. S. Rep. on Com. and Nav., 1887, p. 89.

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nage in steamers more than doubling in two years — 300,000 to 700,000. Frenchmen had therefore double the ships to carry and fetch their goods — and hardly any more goods — no loads. Moreover, six-tenths of its new ships were built in England, where material was untaxed and owned in large part by Englishmen, who got the lion's share of the French bounty. The more ships, the more ships to compete for the French carrying trade. Consequence — the French shipping companies, who before the bounty were able to declare a dividend, ceased to do so; many went out of business; fortunes made in shipping melted away; and the French mercantile marine ceased to grow. If you should talk to-day to a French ship-owner of this bounty business he might smile the sickly smile of a sad memory, but he would hardly assure you that 'beautiful France' — at least his stake in it as a ship-owner — had been greatly blessed by her recent bounties on ships. It has been just the same failure with all other nations who have tried on the same business.

"Now I wish to say something about the shipping of the United States. The tonnage of vessels engaged in the coasting trade is very large, for no foreign ship is allowed to carry freights from one of our ports to another, The tonnage of American ships engaged in foreign trade is very small where once it was very large. What's the matter? Let us look at the figures. The tonnage of England in 1840 was 6½ millions; in 1880, after about forty

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years of free trade, 41½ millions — a more than six-fold increase. In 1858 the total foreign tonnage cleared from American ports was 1½ millions; total American tonnage, 3,000,000, plus. In 1887 total foreign tonnage $10\frac{7}{10}$ millions; American tonnage $2\frac{7}{10}$ millions. In other words, in 1858 foreigners had one-fourth of our carrying trade; we had three-fourths. 1887: foreigners, five-sixths; we, one-sixth.[1] Or see how Mr. Gladstone states the situation in his Leeds speech, 1881: 'In 1850 the relative part that England and America had in the sea trade of the whole world might be represented by 41 to 15. In 1880 the 41 of England had grown to 49, and the 15 of America had dwindled down to 6.' Mr. Gladstone said on this occasion what every man who honors the flag and its ancient glory upon the seas should think over carefully. 'Gentlemen, my youth was spent at the mouth of the Mersey, and in those days I used to see those beautiful American liners, the packets between New York and Liverpool which then controlled the bulk and the pick of the trade between the two countries. The Americans were deemed to be so utterly superior to us in ship-building and navigation that they had four-fifths of the whole trade of the two countries in their own hands and that four-fifths was the best of the trade; and but the dregs were left in comparison to the one-fifth, the British shipping that entered into it. What is the case now, when free trade has operated and has applied its stimulus to the intelligence of

[1] See U.S. Rep. on Commerce and Nav., 1887, p. 89.

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England, and when, on the other hand, the activity of the Americans has been restrained by the enactment, the enhancement, and the tightening of the protective system? The case is now that the scales are exactly reversed, and instead of America doing four-fifths and that the best, we do four-fifths of the business and that the best; and the Americans pick up, if I may so say, the leavings of the British and transact the residue of the trade. Not because they are inferior to us in anything; they are your descendants; they are your kinsmen; and they are fully equal to you in all that goes to make human energy and power, but they are laboring under the delusion from which you yourselves have but recently escaped.'

"To the question, What's the matter with American shipping? the protectionist has his mouth full of answers, such as they are. He says our foreign ships were destroyed in war times by the Alabama Confederate war-ship, and England got the start of us. I answer, certainly some of our ships were so destroyed — perhaps as many as were shipwrecked in any year or two years of peace; and as they were wooden ships, they would have all gone out and rotted long before this with the usual old age of ships, and the Alabama can hardly be the cause of the decline of our mercantile shipping, which so far as she sunk it was sold at great profit to England herself in the Geneva award. Or he says our ships have gone because the world is now building ships of iron and steel, and wooden ships

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are out of date. I answer, It is true that the days of wooden ships, of sail ships, and of small ships have gone forever, but that in these changes in naval architecture, the English have suffered as well as we, while they have a great mercantile fleet and ours is chiefly noticeable for its absence. Or he says we cannot compete with English ships because it costs more to sail an American ship than an English one. And if I ask him why that is, he trots out that antiquated and exploded spook of 'pauper labor' as the reason. But I have already proved to you that American labor is cheaper than English labor, because the American mechanic hands back in his labor to his employer at least twice as much as his English brother does, and that so far our shipbuilder has a large advantage over his British competitor. Or he says that the wages of American sailors are higher; that they are better fed, and therefore cost more than seamen in English ships. I answer that the difference of our seamen's wages when compared with English wages on shipboard is about the same as the difference of other wages in the two nations, as I have before explained to you — that undoubtedly it costs less to feed an English sailor because his food is at free-trade prices and so one-third cheaper than our tax-ridden laborers and sailors pay; but that English sailors have poorer food or less than enough, it would be very difficult for him or any other man to prove. Now let me whisper in the protectionist's ear my first answer to the question,

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What's the matter with the American foreign shipping? If he won't hear me, he will hear in a very near future the rustle of the wise ballots of American citizens, and behind these ballots the thunder of tired millions crying out, 'This protection business has sunk American shipping in the sea of its own greed, and we who are yet out of our graves will have some other undertaker than you. Get out and down, and we will show you how a great nation like ours can build all the ships we need or want.' I agree with that verdict. I say to protection, We both agree that great ships, iron or steel ships, steamships, must hereafter carry the foreign freight of the world's commerce. Iron, steel, and coal are all taxed in the United States. Compute for me the tax on the steel which would go into a steel ship of 4,000 tons. Compute for me the tax on the coal that ship must carry in its bunkers; compute taxes that swarm all over such a ship from keel to smoke-stack, and then tell me whether a ship so taxed is not already sunk on the very stocks; doomed to defeat in competing with the free, untaxed ships of England in what must always be a close race in earning upon the high seas a part of the bread on which every masterful race must feed itself to economic greatness. That's what's the matter.

"There is, in my judgment, a still stronger reason why, as things now stand, the United States could never, by any accident or emergency, become a great maritime power. I have called ships the wagons of

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the sea. Under the American tariff these wagons have no loads, — no exports, — and therefore only one-half their natural freights; and the imports are therefore in foreign ships. Why not? It does not pay for a ship to go out in ballast for a home cargo, and the ship which can carry freight both ways is the only ship which usually declares a dividend. Look at the way this protection sinks commerce under seas in the South-American trade, for instance. Suppose an American merchant or a dozen of them want to send shoes to Brazil because, on account of free hides, shoes have a better show to be sold at a profit in the foreign markets. These merchants look round for an American ship. They may possibly find one laid up in an out-of-the-way dock, where the dockage is cheap. The owner says, 'I should like to carry out your shoes, but where is the rest of my freight coming from?' And then it is generally found that the shoes cannot be sent in an American bottom, because most other American goods cannot get out, being buried at home under high-cost tariff taxes; and so the shoes — neither ship-owner nor merchant being able to make up a mixed cargo — go out, if at all, in a foreign, usually an English, vessel. That is the way protection 'protects' American ships.

"Take another instance, which, like the last, furnishes the true answer to the question, What's the matter with our American shipping? Some years ago the government of Chili was about to buy a large number of locomotives for its railroads. As

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the South American republics, so far as our barbaric high tariff allows, prefer to deal with their fellow republicans of the United States, Chili gave certain of our locomotive-builders a chance to furnish the locomotives. The proposed terms were satisfactory to all parties; but Chili said, 'You must take your pay in copper.' The answer was, 'Chili copper cannot come in at a profit, because Lake Superior copper has a high tariff tax against your copper.' The upshot was that England got the contract, carried home the copper for pay in English ships; made, doubtless, English small wares out of some of it, and managed to sell them in the United States; got in short, a fine bargain, and our manufacturers got — 'protection.' But what did American ships get? Leave of absence to rot at a wharf, perhaps.

"Another incident connected with perhaps our wool and leather industries, and told me by a large manufacturer of American leather, may serve to maintain my plea for American ships against the 'protection' wreckers. South American sheepskins are exported with the wool on. But there is a high tariff on wool in order to make blankets and coats dearer for the 'dear people,' so deeply loved by the protectionists. These skins are, therefore, exported to England, where the wool is taken off and sold to the English woollen manufacturers, in an industry that gives employment to a large number of men and women there, then these skins are reshipped

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here and sold to our manufacturer, who tans and finishes them into sheepskins. These skins are then sold and made into shoes, and the man who buys these shoes pays his part, in the comedy of commerce, of the expense of this roundabout, expensive, and useless trade. But where does the American ship come in, and the American mechanic? We may have the wagon laid up in a dockyard, but the other fellow has carried the load and got his pay. What we want here in the United States is not only more wagons, but more loads. Show us Americans the loads, or even convince us that they are behind the hills but coming soon, and we will find you all the ships you need. To build up American foreign shipping, you have only to build up American trade. And there is no other way to build up American foreign trade than by tearing down this whole protection shanty of barbarism, which keeps in everything it can, and lets out only what it cannot stop. Free trade, as I have explained the term, is as necessary and as safe to American shipping as a free compass by which the shipmaster lays his course.

"Perhaps an article in the leading newspaper of Chili, on the report of the United States Commission sent out in 1884 to study our trade with the South American republics, may show us how our tariff and its animosity are regarded by our neighbors in South America. 'Although the document,' it says, 'reflects the timidity of those who care not to wrestle boldly with deep-rooted prejudices and vested interests, it

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at leasts raises a corner of the curtain that has hitherto screened from the American people the contemplation of the disastrous effects of a legislation that is no less a stain on their glorious name, that is not less unjust, less mournful, nor less contrary to the spirit of their institutions, than the slavery that, for so many years, tarnished their flag and made them a scandal among the nations of the earth. What the report proves, both at bottom and between the lines, is that the cause of an economical evil sought for here by the United States envoys does not exist hereabouts, but must be looked for nearer the home of those who, in the hopes of its discovery, have circumnavigated a whole continent; and our only hope is that the report may convince our northern brethren that situations such as they are endeavoring to improve are not to be remedied with words, nor with more or less pathetic exhortations to amend these ways, addressed to those who have not sinned, nor with counsels that so ill become those who belie them by their example, but rather by a return to the practice of what is taught us by justice, liberty, science, and reciprocity.

"'In order to place themselves in a position to dispute with England for the markets of Central and South America, the United States have only to adopt a tariff as simple and liberal as that of Great Britain.'"

Mr. Freeman made a stop here and looked at his watch. "It is past ten o'clock, men," he said, "but

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I want to say one thing more before we go out. I have looked, too much perhaps, in all these talks, on the 'bread and butter' side of the American tariff, and to-night has been very much like the rest. I wish to say now, that if I have a heart, there is a soft spot in it somewhere, towards all ships of whatever nation, coming in or out in peaceful commerce, and especially towards all ships under the 'Stars and Stripes.' I have lived all my life close here by the sea, and I never see a coaster coming in here to bring iron and coal to the foundry but what I take a longer breath, and somehow seem to be a larger and enhanced man as I am looking at her white sails and the gliding motion of her graceful course. I shall never forget my emotion when, years ago, in a foreign land, having come down from seeing Milan Cathedral, in whose square were set Austrian cannon with Austrian sentinels to keep down Italy under the double-headed Austrian eagle, I saw in the harbor of Genoa a ship with the American flag at her masthead. It was a symbol, proud, rich in the memories of heroes, and stood for the equality and liberty which affirms itself in the constitution of our great republic, which gives us all a home and a grave, over both of which may that flag float and protect. I do not say it as a business man, I say it as an American; as a human being, if you like. I want that flag to fly again at the peak of ten thousand stately ships sailing all ways in peaceful commerce to carry and bring plenty and comfort to the human race. I would

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like, in winter nights, with the driving wind north-east, and the moan of the surf on shore, to think of our gallant ships in the storm at sea, plunging on to port, red fires below in the furnaces, and the engineer watching the steam-gauge, hand on engine-lever, all taut and firm as steel and the hammers of American mechanics could frame; on deck, two men at the wheel, captain on quarter-deck, trumpet in hand, an American crew standing ready of eye and hand; while the ship herself, steady, but quivering under blows of the sea waves hurled against her by the hands of Titans from the under waters, carries her stanch, true course toward home. I would like to think, I say, and know, that our American blood in these days of trade is no less red or masterful than in the days of old; and that American ships nowadays in their struggle of the sea show equal with the best, masters of most, in the heroism which has always followed hard upon the men of stalwart peoples who go down to the sea in ships.

"I love ships, and am not ashamed of it. Good-night."

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CHAPTER XI.

"TO-NIGHT brings us," Mr. Freeman said at the next meeting, "to farmers and railroads. Nearly one-half of our laboring people are farmers — by the census of 1880, 7,700,000, plus, out of 17,400,000. No class, therefore, ought to be more interested in the tariff question than the men who till the soil. Farmers, or I should say the Eastern and Middle States farmers, are a conservative class and slow to move or change opinions. The Western farmer is a more lively sort of a fellow and will go any way where his interest lies, when he has made up his mind for a change. The slow mental movement of the farmers declining to examine the tariff question for themselves went far to defeat the Democratic party in the election just had. The American farmer can be relied on to finally decide right, and I should be very much surprised if, in the next national election, he is not found on the side of tariff reform and in the ranks of the only party that means honest reform. I have already told you that the farmer cannot be protected in what he sells, because the price of his grain is fixed at home by the free-trade market of Liverpool. The protectionist, however, tells him that protection gives him the

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home market. He says to him, How can you sell your small fruits, berries, apples, pears, etc., unless the villages and towns buy them? You see that begs the whole question between protection and free trade, for it assumes that if there were no protective tariff there would be either no villages and towns to buy, or fewer, whereas the tariff-reformer holds and undertakes to prove that a reformed tariff, quickening trade, would give the farmer more customers more able to buy. I wish to say just here these two things: First, the farmer is his own best customer, inasmuch as he and his family undoubtedly consume nigh one-half of all his wheat taken by the home market, and other things he raises, in like proportion. Second, that under no circumstances could most of his perishable crops, like the finer vegetables and fruits, have any foreign competition, distance in most cases creating a natural and prohibitory tariff in his favor. If any one alleges that Canada might compete, one part of the answer is that Canada, being further north, must compete under a great disadvantage, and that in any case the American farmer who successfully competes in his wheat with the Indian ryots, paid 12 cents a day, can undoubtedly outmatch his Canadian neighbor, vastly better paid, in any market where they two might come in contact. In meats, for instance, I suppose we could always sell largely to Canada. But, without pressing that point further, I will throw out a hint as to a whole set of blessings which would come to the

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farmer under free trade. If the tax was taken off sugar, in ten years' time he would reap a larger profit from his preserved fruits sold over the world than he does now from all his 'truck' business in the home market, grains only excepted. And I hold that new industries springing up under a free-trade tariff, as was the case in England, is one of the chief ways in which the farmer can expect to better his condition. Certainly, his present condition does not please him, nor is it a condition to please any philanthropic man. If you want proof of the unsatisfactory condition of the farmer, ask some statistician how many hundred millions of dollars lie in mortgages on Western farms and what rates of interest they call for, and how much has been paid back of the money lent. I suppose that this dissatisfaction must prevail among the cotton farmers of the South. We do not hear much from them, but I suppose they are faring very much like the rest. I know that they cannot escape tariff taxes any more than they can jump away from their own shadows in their Southern sun. I know it is so in the East, and from personal observation as well as from the reports of late travellers I am sure that this dissatisfaction is both widespread and very bitter in the West. Indeed signs are not wanting that, unless relief is soon had, there is going to be such a passionate outbreak among the farmers of the West as has been never witnessed; for the American farmer is no serf or peasant, but generally an intelligent, hard-working American

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citizen, slow to wrath, but, when roused by a wrong, dangerous to meddle with or to deny. I say this American farmer is going to demand an honest reform of the tariff, and he is going to get it. Why not? He cannot gain anything, either in his home or foreign market, on what he sells out of this tariff. What does this tariff get out of him? Speaking roundly, about one-third of his whole income. How? you ask. By taking a tax of about 40 per cent on everything he builds, buys, or uses. If there is one place in this land where tariff taxes love to swarm, to dance, to breed discomfort and penury; to chill comfort and to drive out plenty, it is the American farm. These taxes smuggle themselves into the farmer's machinery, inhabit his barns, despoil his table, narrow his rooms, and flaunt their meanness in the dresses of his wife and daughters, and inscribe themselves in every bill of goods which he buys for home comfort.

"Now, look around the farm and into the farmer's house. A careful estimate has been made of the cost of a farmer's outfit and the support of his family of six persons, husband and wife, two boys and two girls, for a single year. The whole sum is set down as about $500, certainly a modest estimate. Of this amount, under our tariff, $180 would vanish in a taxation invisible to the victims. The Mills Bill would have made this taxation $84 less, and free trade, at the very least, thirty per cent less, or about $160 less; $341 instead of the original $500.

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I do not understand that anything raised on the farm, either grain, meat, or vegetables, is included in this estimate. If any farmer asks you to tell him what the matter is that he can't get on, answer him, 'Tariff taxes.'

"It is perfectly true that he gets a certain nominal 'protection' for his products under the tariff, for instance, one cent a pound on beef and pork; ham and bacon and lard, 2 cents; butter and cheese, 4 cents; 20 cents on wheat, and 15 cents on rye; oats and corn, 10 cents; live animals, 20 per cent ad valorem; but it is also true that if all these articles were on the free list, except wheat, none of them could come in against our farmers, and that in the case of wheat from Canada it could not make a difference of more than one-tenth of one per cent a bushel, and this would be offset by the labor in transportation, paid to our own people; and that other necessaries of life would come cheaper to our farmer, notably the timber to build his house and barns. And just here let me call two witnesses to show how the tariff on lumber affects the great masses of our people, including the farmers, when they come to build houses. The first witness is Mr. O. R. Bishop of Chicago, an iron-worker, representing the Knights of Labor before the Tariff Commission, who said, 'The lumber lords say that they pay $17,000,000 to 56,000 men, which divided would give each man $304 a year to support himself and family.' (Many of these men were imported from

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Canada to keep up wages, as these 'protection' gentlemen are so fond of telling us; and men are now working in the lumber regions for less than one dollar a day.) 'But the few employers tell us that they cleared nearly $4,000,000, net, and still have $40,000,000 worth of mills and tools on hand. The other day, these same gentlemen met and raised the price of lumber $1.50 a thousand, all round, which is likely to increase their profit to $8,000,000, a very mild species of robbery;' and the consumer certainly is not the robber. **Put lumber on the free list, and you save** the people $16,000,000 yearly, and the wages of the lumber-workers would not fall one cent.

"The next witness is Mr. Blanchard of Chicago, referred to by Congressman Hooker of Mississippi, in the tariff debate of May 9, 1888. I have no knowledge of Mr. Blanchard, but I like his refreshing frankness, if not his tariff filching. He says, 'I am high tariff on lumber, but low tariff on copper, iron, wool, cotton, leather, glass, etc. I will tell you why. I own timber lands and stumpage' (trees on the stump); 'besides, I operate largely myself, and this tariff puts money in my pocket. I get $2 per thousand for my boards and stumpage. I have just sold 5,000,000 feet of lumber. The tariff gives me just $10,000 profit on that trade.[1] That is the difference to me between high tariff and free lumber. I am high tariff on lumber, I am. The blessed tariff, they tell us, is all for the benefit of the American laborer. What do you suppose I did with the

[1] See note, p. 000.

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$10,000? Divide it among my workmen? Not a bit of it. I put it right into this calfskin pocket, I did. Of all my workmen, I am the only protected American laborer. Wages depend upon supply and demand, and not upon taxes.' [1]

"I suppose that man, at least, was born honest. The American farmer, therefore, who upholds the tariff for the profit in it to him, is very like the man suggested by Henry George, who, buying a share of stock in a railroad, bought a ticket and rode over that road every day in order to increase his dividend! Look at his house. I hear that in Kansas the farmer often lives in a hole in the ground, as our forefathers might have done in Britain two thousand years ago. It is a mercy that this tariff don't tax that hole; but if he puts in for finish a foot of lumber, a shingle, a nail, a bit of wall-paper, a smirch of paint, it taxes them, and the rate is collected out of the hand of a toiler often poorly paid, under-fed, and, to say the least, not too warmly clothed. I know very well the comfort of many farmers' homes, for I have enjoyed it. But in most cases these are in the older States, and generally it has taken at least three generations of frugal men to make these homes what they are. But I am sure that most farmers' homes, especially South and West, are not such as are creditable to a land so rich as ours. Let me back up what I say with a few statistics. First, as to the numbers of American homes as compared with our increasing population.

[1] See note, p. 267.

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"In 1850 there were 3,598,240 families, who had 3,362,337 homes, that is, 235,903 families without homes. In 1860 there were 5,210,934 families and 4,969,692 homes, that is, there were 241,242 families without separate homes. The families had increased 1,612,694 in number, and all of these had new homes but 5,339. But from 1850 to 1860 there was the lowest tariff the United States ever had. Now look at the statistics from 1860 to 1870 under the highest tariff we ever had. In 1870, there were 7,579,363 families living in 7,042,833 dwellings. In other words, the number of homeless families had risen to 536,510. In ten years, families without separate homes had increased 123 per cent. There were now 295,268 such families. Or take the statistics of 1870–80, ten more years of a high tariff. Such families had then increased to 990,108, an increase of almost a hundred per cent as against three per cent for the low-tariff period of 1850–60. It was during this period that the "tramp" was evolved; and five hundred thousand homeless men began wandering idly over the country. Now put a single fact as a sharp contrast to these figures. In the same period, according to their own returns, the manufacturers of the United States got an increase of capital of $674,063,837.

"Nor is this all the injury that this tariff works upon the American farmer. We are gradually shutting him out from his foreign markets, which he must have in order to live, by irritating his Euro-

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pean customers with tariff duties against what they would like to sell us. We keep out French silks and wines; France, therefore, turns round and forbids American pork to come in. We tax Belgium 112 per cent on her plate glass; so she forbids the import of American beef and pork. The fact is, that with our immense and rich territory we shall always be dangerous to the small and overpopulated states of Europe, like France and Germany, in all agricultural products. If we are not careful, if we continue to irritate with a hostile tariff these nations, it is likely to happen, and at no distant date, that they will form, so to speak, the United States of Europe and agree to keep out the agricultural products of the United States of America. There is a growing feeling of this sort in France, and the plan is now publicly discussed by the professors of political economy on the Continent. That is to say, the American farmer is not only cursed by the tariff taxes at home, but he is threatened, in the supposed interests of the manufacturer, with the destruction of his markets abroad, and that would destroy his home market by forcing down prices here by his farm surplus. The United States must either sell their farm surplus, or face a crisis. So the protection humbug shears its silly sheep down under their very skins.

"In the next place I will show you how this tariff further robs the farmer through the railroads; not how the railroads rob him. I know that these

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roads may be unjust and cruel sometimes towards the public, for they are trying to make a dividend, like every other business; but I hold that railroads are the victims, not the agents of this tariff steal, and for this reason. They carry freight. In a free exchange of goods their freights would increase to furnish better dividends. A single fact will show the situation. In the year 1887, the manufacturers of steel rails realized from the tariff more than $11,000,000 above an honest profit, and therefore steel rails sold to the railroads cost this amount more. The roads paid this sum, and will take it, must take it, out of their customers, notably the farmers, in the shape of higher rates on everything they carry. There may be certain exceptions, for reasons, but in general this rule prevails, and it prevails in every taxed thing which goes into the construction of a railroad.

"Now I wish to speak a good word for railroads as the farmers' friend. I know some farmers think they are enemies. The English farmers were at first bitterly hostile to the locomotive when invented by George Stephenson, and took every opportunity to show their dislike. In the same way Vermont farmers were hostile to the railroad that came among them, as I have before told you, on the ground that it would destroy the value of horseflesh by driving horse teams out of the freight business, as it did. But after forty years Vermont horses bring better prices than ever. If any one wishes to test the Ver-

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mont farmers' opinion about railroads, it is only necessary to propose to abolish them and see what a rage all classes would show against the proposition. The fact is that railroads and steamships have been powerful agents in creating the new civilization of the world and of the West. If railroads were abolished in the West, the Western farmers, to say nothing of the rest of us, would either die or flee away as from something worse than cholera or yellow-fever, and the land would return to a wilderness. A railroad is merely a gigantic machine to carry freights of men or things, and is a great power in maintaining human comfort and developing the magnificent and untellable civilization of the future. It is an iron band to bind together the peoples of the continents, and steamships bind together continents and the isles of the sea. Let me show you what these two machines for carrying freight do, by quoting a sentence from our great American economist, Mr. D. A. Wells. 'Bessemer steel rails, steamships, the Suez Canal, have brought the wheat fields of Dakota and India, the grazing lands of Texas, Colorado, Australia, and the Argentine Republic, nearer to Manchester operatives than the farms of Illinois before the war were to the spindles and looms of New England.' A leading farmer of Devonshire said before the British Commission in 1886, 'I have calculated that the produce of five acres of wheat can be brought from Chicago to Liverpool at less than the cost of manuring one acre of wheat in

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England.' Besides, in the old days, for lack of transportation, the people of one province would starve to death, while there was plenty almost everywhere else, as was the case in France as late almost as 1800 A.D. Not more than ten years ago more than ten millions of people died from starvation in two provinces of China, while there was plenty elsewhere, simply because there was no transportation. Thanks to railroads and steamships, it is now held that henceforth there can never be a famine again in Christendom. Take these other facts. The average transportation or railroad rates in the United States are lower than in any other country in the world, although other nations have nominally cheaper labor and far denser populations. A full year's supply of bread and meat for an adult person can now be moved from the bread centres a thousand miles for a single day's wages of an average mechanic. Fifty years ago, in the West, over good roads, the cost of carting a ton of wheat 120 miles, worth $25 at a market, would equal the whole original value. In 1885 there were probably 300,000 miles of railroads. Fairly assuming, on the well-known basis of our own statistics, that the railroad system of the world in that year could have carried 120,000,000,000 tons one mile, and it follows that this system thus gave to help human labor a force greater than that of a horse working twelve days yearly, for every inhabitant of the globe. Again, the railroad freight service of the United States for 1887 is computed to

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be equivalent to carrying a thousand tons one mile for every one of our 60,000,000 citizens, at a cost of $10 to each person. Now if this same work had been done in the old way, with horses, it would have cost $200 for each inhabitant — a cost greater than all the nation produced that year, more for horse cartage than we earned. It is for the interests of all honest farmers to see to it, through their legislatures, that their railroads are kept open; that their building expenses are not swollen by 'protective' taxes, and that their stock is in no way, under any disguise, 'watered.' Railroads charging fair rates are the breathing-tubes for preventing our farmers smothering in their own plenty, unable to sell abroad their surplus.

"In the free-trade markets of the world our farmers are now in sharp competition with all the pauper labor of the world and hold their own, and export more in value than all our manufacturers do. This competition is bound to grow sharper, notably when semi-barbaric countries like India and Russia come to employ improved machinery in farming, and especially when large organized companies use these machines on large tracts and territories. For instance, to show one phase of the danger, I cite the late wheat-raising on large farms in California, and their saving in the cost of growing wheat. The statistics are these: on ranches of 1,000 acres, cost of raising 100 pounds of wheat, 92½ cents; 2,000 acres, 85 cents per 100 pounds; 6,000 acres, 75 cents; 15,000

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acres, 60 cents; 30,000 acres, 50 cents; 50,000 acres, 40 cents. These facts interpret themselves and show that the time is at hand when for his own protection, yes, and existence, the wheat farmer must combine with his neighbors in some sort of co-operative company, something like the cream-factories, which he has found so profitable. Or take the case of raising fat cattle for the market, under what is called 'the factory system,' carried on by a company. Here are thousands of cattle under one roof, fed on the best prepared grains and fodder, according to scientific principles, where everything is done by steam, from watering the cattle to warming the building; where one laborer can take care of 200 steers, while one farmer, under his ordinary conditions, tends only 15 or 20 head; where the fat made from grain is not blown away in the northwest wind, but maintained by the warm, well-aired stable from which the steers only go out to be transported to the slaughter-house; where economy and utilizing of everything are carried so far that it has been said that from the beef tongues and pigs' feet alone the slaughter-house company would make a good dividend. There is much slouchy farming in this country. How can it compete with processes like these just described? It must go out. No free trade or any other sort of trade can make such farming pay; and that farmer is entitled to nobody's sympathy who does not try to learn his calling. He must put brain into his brawn, and if he won't, all over the world, he will

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get left by the men who do. If the American farmer does, he can stand his ground anywhere. He needs an open road and an open door into his foreign markets, both of which the tariff now denies him; to have tariff taxes which he now crawls under taken off, and to be let alone in his struggle in the great tide of civilization which is sweeping on, and leaving behind, with the bats and owls, the lazy and the ignorant. These things he will have when he demands them at the ballot-box, and not one hour before. The farmer must deliver himself, or remain as he is. He has his destiny in his own hands.

"He cannot greatly further his cause by being hoodwinked into paying extortionate taxes, under a restrictive or so-called 'protective' tariff, by being informed by his protectionist 'friend' that he, too, shares the benefit of protection's universal blessing, by having a duty placed on imports of his produce. He will soon see that while our exports of wheat amounted in 1889 to 90,000,000 bushels, our imports of wheat in 1889 were 1,946 bushels; that while we last year exported 69,000,000 bushels of corn, we imported in the same year 2,388 bushels of corn; and that as against our exports of rye, our imports were just 16 bushels; and that, therefore, protection to him is hollower than to most men. When he realizes this, he will see that in this merry game of protection, where each man has his hand in his neighbor's pocket and has somebody's hand in his, so that

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all may grow rich and happy together, the American farmer rather stands at the end of the line, and while plenty of hands are in his pocket, he has, in turn, and can have, no pocket from which to take a recompense for his loss."

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CHAPTER XII.

As Mr. Freeman came in the next evening, the men were very busily engaged in a warm discussion relative, as he afterwards found out, to the merits of the tariff positions he had heretofore assumed. Furthermore, when he took his chair and the company had subsided into silence to listen, a man stood forth, as if intending speech. He was the man mentioned some evenings before as meditating the gift of a woollen blanket to his grandbaby at Christmas, and that baby had that very day been buried. The man was, therefore, in his best clothes and clean-shaved, in contrast to the rest of his group in their work-day suits. He was a short, stout, broad-shouldered, ruddy-faced man, with blue, open, honest eyes, of a retiring habit, in many ways a fine type of the ancient Saxon of England, as that blood shows in these days. Everybody called him "deacon" as a mark of respect, and indeed he was a deacon in one of the village churches, and was always treated by his mates accordingly.

"Squire," he said, "I want to say something, because I think something. I can't make no speech on this tariff, because I don't know enough; but I've took in all you say, and turned it over at home,

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nights after our meetin', and p'raps what I think has nothing to do with the tariff, but it's something to do with me, and I think with the men here, and so I've risen to speak."

"By all means, deacon," replied Mr. Freeman, who knew him for a man of gravity and sense. "Go on as long as you like, and put things in your own way. It's a comfort to have men speak out and say something which they have ciphered out for themselves, because that shows interest and thinking."

"Well, this is it. My father was a farmer, and his brothers were carpenters. We boys was brought up to work from sunrise to sunset, and wore our work-clothes all days except Sabbath, and nobody thought less on us for bein' in homespun. My old blue woollen frock I wore on the farm is in my house yet. My father and his brothers all lived in the old house together, and every one had his own gun to go huntin' or gunnin' rainy days, and stood 'em up behind the kitchen door, fair weather. My uncles owned a clarinet and flute among them, and my father was great on his bass viol. So they played and we children all sung together the old hymns Sabbath nights. We never thought we were poor or laboring folks, as we are called nowadays; we paid our taxes, went to mill and meetin', we never looked up to anybody, except the parson, p'raps, and never looked down on anybody except a drunken fellow or a fool. Nobody looked up or down at us, as good as anybody, and everybody as good as us. Things have

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changed since I was a boy, squire. It 'pears to me as if folks like us were getting to be the under dog, more and more, like as if we were less respectable, somehow, as if we ourselves were gettin' ashamed of our work-clothes; and our girls are pouters if they can't wear all sorts of finery like the city people. When I was a boy everybody spoke to everybody, and we all seemed alike somehow, free and equal. But now, when I am goin' home in my work-clothes and some of those city folks ride by me, with a man driving, in brass buttons and a band round a high hat, as if he were a sort of drum-major, and the women sittin' up and lookin' straight ahead saying nothin', it seems to me as if they and I were different kinds of beings, and p'raps I some sort of a creeter, like their horses are. What's the matter, squire, them or me?"

"Well, well, deacon," replied Mr. Freeman, smiling; "if I have to say anybody, I should say both of you. I really think, nobody. Those fine people in their carriage and you in your work-clothes are both the product, the creatures of your times, of the civilization in which you live, which is always changing for better or worse, and as it rises makes sharper distinctions, on the outside at least, between classes. The highway belongs to both of you alike. If they ride and you walk, they have the same right to their carriage, unless they stole it, as you have to your feet. But why some men ride and others must walk is a rather large, in fact a deep, question, into which

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I do not care to wade. You have stated frankly what you feel and what millions of workmen feel, what indeed is the very tap-root of the unrest, the dissatisfaction, often the dangerous theories and movements, of the men who toil. This dissatisfaction is one of the hopeful signs of the age, for if the American laborer is dissatisfied with his condition he has sense enough to try and make it better in some decent way. To smash other people's carriages will not build your own. Why don't you buy your own carriage? You say you have no money. Well, the other people have. The Declaration of Independence never guaranteed you anything but a fair and equal right to get on or to go down, according to your ability and industry; liberty to walk or ride as you can afford. The highway of life is for all, horsemen and footmen, to fare as they can or choose, nowhere more so than in the United States; and the root curse of this tariff is that it pays for one man's carriage out of some other man's pocket, and so defies the law of the land, making war on that approaching civilization wherein riches and poverty are poured out of the hand of Justice without fear or favor, according as men deserve them or are by law entitled to them.

"There is another side to this vast question — this question of what is to become of the toiling masses under the new civilization which is now upon us and will stay long among men, which you and the laboring-man ought to look at, deacon, which every friend

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of labor must never forget. It is this: What is the laborer going to be, a man, or a serf to his needs, or some other man's greed? Under the inevitable inequalities of our money-getting civilization, some will be rich and others poor as long as man is. You cannot make the human race level either in what they are or in what they have. But the wise man will always try to level up, not down. He will not try to pull another man out of his carriage, but will, if he likes, try and pull himself into one of his own. The fine lady who rode past you with her coachman in livery might have been a lady, or she might have been a very vulgar person keeping a boarding-house in the oil regions, whom her husband married to pay his board-bill the day before he fell upon an oil-well and a fortune at the same time, by a lucky accident; and she is out enjoying her luck in the way you saw. It is not the carriage, but the man in it, that counts.

"The new civilization both helps and hurts. It makes sharp contrasts between the man in a carriage and the man on foot. Yet in a street-car, thanks to progress, for a nickel, the laborer can ride to his day's work as easily and as quickly as a rich dame can ride in her carriage to the opera; and on a railroad one can, for a few dollars, ride in more magnificence and faster than any king from Pharaoh to Charlemagne. And what I say is, that the man on foot must deserve a carriage if he can't own one, if he expects to be treated as the best. Labor must

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lift up itself into honor by honor! No government care, no philanthropy, no patronage from any quarter, will do the job. I say, men, that the laboring classes must work out their own salvation. You must educate yourselves and your children. You must be true to your own manhood by insisting that it shall be wise and virtuous. You must take your share in governing this nation, and you must know the why and the how. This is why I have taken the trouble of all these tariff talks. You must study this question which is upon us, and understand it. There is no excuse for you if you don't. This land belongs to the masses — it is a democracy — and when the masses do not study the weal and the way of American democracy, they commit high treason against their own birthright. A laboring-man ignorant of his political duties, or careless of them, is an enemy to the right hand of toil."

"Tell us, squire," said one, "why the Republican party can't change this here tariff just as well as the Democrats can?"

"For several reasons," answered the squire; "first, because the Democratic party has got the start of them, and, like the man in the Bible, has gone down to the healing waters before them. The Democratic party, for at least ninety years, has been a low-tariff party, and, under the leadership of Mr. Cleveland, has taken up its old position, and so has got the inside track. Men say the tariff question is a matter of every man's bread and butter, and there-

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fore should never have been carried into politics, but settled by the examination and agreement of the honest men of all parties. That is all true, so far as it goes; but the other fact is, that as our laws are made by the people, and as the people must work through parties to carry out their will, it is inevitable that the tariff question should be settled at the polls. I have said, and I say it again, that the Republican masses are just as anxious for just and wholesome laws as the Democrats can be. The trouble is that the Republican party has been led into a false position, and must either break away from the party on the tariff issue, or go against the country. The Republican leaders will never alter this present tariff for the better, simply because they cannot. They may tinker it, pretend to make it better by making it higher; may take off some duties which don't count much anyway; try to hoodwink the ignorant voters with some trick, and then appeal to party pride to carry them through; but as soon as they touch one stone of it — give one more free raw material to the people, the whole protection fallacy vanishes in smoke. They are, indeed, between the Devil and the deep sea. Besides, in the last two presidential campaigns, certain of the Republican leaders and their National Committee have been under a contract with the monopolists and extortionists of the protection injustice. The terms of that contract are that the monopolists shall give them money, and they shall give the monopolists a

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protective tariff. That is the size of the 'deal;' the American laborer is disparaged for the benefit of the 'pauper laborer' of Europe, for the sake of the dust that can be thrown in the eyes of well-meaning people, who honestly wish well to labor, and don't see the trick. Therefore the Republican leaders must deliver the goods and are trying to do so. If they fail to deliver, where is the monopolists' money, and where is the next Republican President?"

"What would happen, squire, if all the tariff, except enough to pay our government bills, was taken off? What would happen to us?" asked another.

"Well," said the squire, laughing, "there would be a great surprise party for somebody; the biggest kind of one for the honest protectionist deceived for a lifetime by the protection fallacies. Wages would go up and be more regular — fewer shut-downs; and the consumer's money would purchase many more comforts, because there would be a fall in the prices of most things which a man consumes, leaving substantially the same margin of profit for the honest producer or manufacturer. Take the Ohio wool-grower, for instance — not the Republican politicians of Ohio who shear the silly sheep of their constituencies, first frightening them into their sheep-pens with the bugbear of free trade. The price of his wool under this tariff is and has been low. The next morning after wool is made free, or it is evident that it is going to be in the United States, he will be very much surprised to find that wool has risen in

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price, and his own clip with it, in every market of the world. Why? Simply because there is, and must be at all times, a limited amount of wool in the world, and every pound of it costs money; and the wool-dealers, knowing that the United States with free wool will require more wool, because their wool manufactures are going to increase largely, with this greater demand in sight, will ask a bigger price, and will get it, too. Europe will still need, to say the least, a little wool for her own markets, and America can no more get all the wool than she will get all the sun or the sea. When England made wool free, wool went up, because there was more demand for it. When France put a tariff tax of 22 per cent on wool it went down, probably because its manufacturers couldn't get out in the face of the free wool manufacturers of England."

"But wouldn't we be inundated by all these free things coming in on us and shutting up our shops and throwing the men out of work?" asked one in the audience.

"No, and I will tell you why. Your question shows that you have let one of those false metaphors, of which I spoke to you long ago, run away with your judgment. That metaphor falsely assumes that foreign goods are like the sea. They aren't. The sea costs nothing, and there is no end to it. Foreign goods cost, and the stock soon runs out unless replenished, and to replenish costs money again. Europe is not going to give away her goods

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to the Yankee, but sell them, and the Yankee is not going to buy unless he can make a cent on the trade. A serious increase of a demand for any line of goods from the United States would instantly raise the price abroad. Trade is like the atmosphere, which, with its currents and counter-currents, is always tending to an equilibrium, unless hindered by tariff taxes. It is in this hindering of the equilibrium of trade that a protective tariff must always make a deal of trouble. Besides, with free trade, the tide would set out from this land — not in. I have shown you that when the hand of American labor is unchained, when we are indeed free men in our trade — as we are not now, but slaves to the tariff — we shall surely gain the mastery in the markets of the world. Mr. Gladstone thinks and says so, than whom no man on the globe better knows the laws of trade.

"Now I am going back to answer the question, further, of what would happen to us if we had free trade in the United States? First, it would quicken all trade — increase our exports and imports — give more steady employment to our people, and in most cases better wages, because there would be a vastly greater demand for work.

"I know a friend of mine, an intelligent business man, who objects to free trade because it would make us the greatest manufacturing country in the world; and he doesn't happen to like the influence which large manufacturing centres, like Manchester and Birmingham, exercise on national character."

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"But wouldn't a change of tariff upset things?" asked another auditor.

"Undoubtedly, but only for the better. This tariff is like an old machine which we intend to replace with a better, in order to fare better. Sir James Stewart said, in 1767, that it is impossible to sweep out any room without raising some dust; but then the room is better for the sweeping. Business is a perpetual series of changes, as every business man will tell you. You can no more do a healthy business, for any length of time, under this old barbarous tariff, this discredited relic of dethroned tyranny of a thousand years ago, than you can make money in a factory that employs worn-out or antiquated machinery. A tariff reform, such as I have argued, unless the history of the industries of the world is a misleading lie, would be, in short, a blessing to labor and capital alike.

"Now I wish to point out to you two tremendous dangers which this American tariff is steadily developing against the American Union. I say this advisedly. Weigh well now what I say and think it all over. This Union forms one nation, and all legislation should be had in the interests of the whole nation, not of any section of it. Ours is a Congress of the whole nation, not the Congress of a section. The flag is for one nation, not for a section of it. But, ignoring this root fact of our government, our Congressmen, in this protection craze and gluttony, and as against their oath, are forever trying to pass laws

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for the advantage of their own section. Thus more and more they are arraying section against section, and so tending to destroy again that Union which our soldiers and sailors died to maintain. Under any laws of trade, sectionalism in a country as vast as ours, and with such differing local interests, considering what human nature is, will be always a strain upon the bonds which bind us into one nation. Western interests differ from the Eastern. So do the Southern, and the South is more allied by its agricultural interests with the West than with the Eastern States and Middle States. Future political power to control national legislation lies west of the Mississippi. Suppose in some future, far off or near, the West and the South should join forces against the East. Would or could the East buy or fight its way to victory against these two confederated sections? No! Any honest tariff reform should never recognize any State or section; it must recognize the one only nation we are. In the administration of the affairs of a republic, justice is stronger than armies, fair dealing as between sections and peoples a stronger bond of union than the sword. The American tariff, as it is, tends to sectionalism and the rupture of the Union.

"But, men, there is a graver and more deeply reaching tendency to which I desire to call your attention, and which I touched on lightly when I replied to the deacon's remarks. I am not an alarmist or given to seeing danger where none exists.

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But I am compelled to say that much which I see in the trend of these protectionist ideas fills me with the deepest apprehension. At this moment, the volcanic elements of misrule and disorder on which the thin crust of society rests are seething, and threaten eruption. Just how far our constant drift toward broader democratic institutions will extend, I do not know; it is impossible to predict. But I believe that many objects for which earnest, if deluded, men are struggling to-day, are not for the interest of the people. In my opinion, Socialism, in its many forms, from slight reforms, through the mild insanity of Bellamy, to the frenzied ravings of the anarchists, presents a most serious menace. However these forms of Socialism may differ from each other, they are united in one very important particular. They all turn toward society in its corporate capacity, in other words, to the government, as a panacea for all social inequalities and evils. Instead of self-help as a means of raising man above his wants or needs, Socialism offers the wisdom of the state or government exerting an all-potent influence in radiating, like a central sun, all sorts of blessings: high wages, high prices, and the possession of property and prosperity. It is a part of this theory that the government should extend its powers. That, instead of protecting men in their individual efforts in such freedom as is consistent with the equal rights of others, which the founders of our government considered a necessary limitation of its powers,

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the state should enter upon a career of doing everybody's business, and giving all an equal share in the national estate. It is unnecessary to say that this plan is extremely pleasing to many, especially to those who are not workers, but who, at least in their own opinion, would be greatly and immediately benefited by it; in other words, to those whose share would be most largely increased if everything were equally divided. Now modern society is not perfect, but it has made some progress and amassed some wealth, and this has been done upon the plan of encouraging and protecting individual effort, by guaranteeing ownership of its product. The other plan is for the government to take everything and direct everything. The growth of sentiment in favor of this second plan is visible in many ways, and appears in many quarters. If you like this plan, well and good. If you do not, if you, each of you, want to stand as a man and earn an honest living and be able to enjoy as your own the result of your labor in your own little home, then it is for you to consider that in a country where the majority rule and many men are daily growing poorer and more desperate, there is a very real danger in any tendency which subordinates individual effort to government support, which teaches men to rely less upon their own exertions than upon such laws as they can get passed for their benefit. The effect of any such tendency is not obviated by any opinion you personally may have that it is encouraged in any particular instance

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for an object that you may happen to believe in. Men differ honestly in opinion, and the same government aid which you ask for an object you think worthy, you are teaching men to ask for in aid of objects which you, and possibly all right-minded men, would regard as dangerous and unworthy. If the government is for the purpose of supporting the people, then all kinds of people are fairly entitled to support. Therefore, it is not the least of the objections which I have to the course of many of our Republican politicians, that they are daily teaching, in the face of all men, the dangerous lesson that the government should do for any set of men who can command the necessary votes, what they well might do for themselves. When Senator Blair, for example, wants the government to educate the citizens of certain States who well could educate themselves; when Senator Frye proposes to make shipping profitable, by paying the people's money to ship-owners, in the form of bounties; when the able-bodied veterans of the war are asked to beg for the people's money for a support they well might earn; it is clear you are drifting away from the ancient landmarks. Whither are you going? These may all be objects which you personally fancy, but these men, consciously or unconsciously, are teaching a lesson that many will be quick to learn, viz.: 'Look to your government for help rather than rely on yourself. Be a mendicant rather than a man.' And, above all, when business men, in every line of trade, besiege

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congressional committees to make their business pay by confiscating for their benefit other people's money in the form of taxation, so that national charity rather than personal exertion is relied on as the sure means of success, the men who ask and the men who grant are in unison with the socialist or the nationalist in declaring that the proper fountain of plenty is the government. If these men can get what they want, as they do, how can they deny men who chance to want something else from the government which they do not happen to like, — an income tax to increase wages, for instance? I can imagine the ready answer of such an one when confronted by a protest from the protected manufacturer, his allies, or his dupes. 'You taught me the lesson yourself. It was you, the monopolistic manufacturer of this country, who first clearly showed that the way to amass a fortune was to get the representatives of the people to vote you my money. Now these are my representatives, and they vote me your money. You cannot justly blame me if I am taught by your example, or exasperated by your quiet little game, so far as to employ the same method by which you got these unrighteous gains, to divide them among us whom you so long have robbed.' What satisfactory answer is there? But one: 'They who sow the wind, shall reap the whirlwind.'

"Now, men, I am going to end these talks tonight. I will end this way. I am almost ashamed

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of myself that in these tariff talks I have looked so much on the 'bread and butter' side of the question, and neglected the history, the ethics, and the religious aspects of it. Believe me, they are all there. The tariff struggle in which this nation is now involved is only an evolution of the national life which moves on to its destiny. This evolution connects itself with the national history of all those who speak the English tongue. There are two great epochs in all nations moving on to a completed liberty. The first epoch is when a nation demands political liberty; the second when it demands economic liberty — its liberty in trade. The first epoch came to England when Englishmen beheaded their king and decided that Hampden's ship tax was void in English law; the second when England, led by Bright and Cobden, took off taxes laid by English landlords upon the people's bread and left England's trade free to grow to greatness such as the world had never seen. The first epoch came to us in our war of the Revolution, based upon an unjust tax levied on our feeble colonies; the second epoch is now upon us in this tariff business, and men like me insist that we will trade free, as Nature and God have helped us. I know the odds are, at the start, against us; rich monopolies thoroughly organized to spend money to influence votes and legislation, and voiced in Congress by Republican leaders with the fillet of a broken pledge bound upon their foreheads; and, above all, the thoughtless apathy or ignorance of

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many of the people themselves. On our side we have the Democratic party and their great leader, Grover Cleveland, which, as of old, putting its heart to the people's needs, demands for the many against the few, in that old patriotism which has kept it alive for ninety years while all its old antagonists are dead or dying, fair play and equal justice for all sections and all the people. On our side, we have the history of trade, the facts of Nature, in air, earth, and under the sea; and above all the conscience of the nation, when it becomes attentive and enlightened. Revolutions never go backwards. The economic revolution in the United States is far on its way and will not be denied its demand.

"The protection fallacies have been disproved ten thousand times, and our tariff robberies stand convicted before our courts, our civilization, and the honest intelligence of mankind. Whoever wishes can verify all this for himself, and is bound, as a good citizen, to an examination. The time has now come when we must put the national conscience, attentive and instructed, squarely against this tariff business. The teachers of religion themselves cannot afford to remain dumb dogs before a Moloch of cruelty and injustice oppressing the poor and the defenceless, unless they are willing to accept a contempt for all religion from the millions, whom they desert. For the religion that deserts the people is deserted by the people.

"I have read of insults offered to Russian

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ladies in Siberia, who, to escape greater outrage, killed themselves; and of how unarmed Russian gentlemen, in other prisons, died, under the fire of Russian rifles, in useless revolt to avenge the same. Now, then, I say if, under such shame, the archbishop of all the Russias and the clerics beneath his gilded domes at Moscow utter no plain anathema on all such horrors, with his 'Thus saith the Lord,' it results that Russia comes to despise the priest and even the Master before whose altars that priest so falsely serves. What is true in Russia is true in these United States."

While Mr. Freeman was saying this, he had risen from his chair and gone in among the men, who made way and now stood around him. They noticed his white face and firm lips.

"No, my men," he went on, "from Pharaoh to Charles I. — yes, and till to-day — the many gave and the few took what they would. I say this world belongs, not to hierarchies, dynasties, or monopolies, but to the peoples of the world — to the many, not to the crafty few. I say the peoples must come to their own by their own intelligence and virtue, all good men assisting. Free, wise, honest speech must be the only axe to strike the neck of Wrong; intelligence and virtue the only soldiers to win the people's victory. This tariff is a gigantic mediæval robber which is destroying all of us. The majority of our present Congress would not listen to an archangel speaking in our behalf. Let them

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hear, then, the rustle of the people's ballots, driving them out and putting better men in."

They have been studying the tariff question down in Rabham for some time now in a working-men's club. Most have got on no little way with their lesson. And if any politician goes down there talking protection, there are plenty of mechanics who will ask him, on the spot, his reasons. The questions are sure to be so blunt and searching that he is very likely to take an early train back to some community not so well instructed. As Hen Farmer is now accustomed to say, "Our eye teeth is cut."

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NOTES.

I. AVERAGE DUTY.

(*Page* 30.)

THIS matter, about which some little misunderstanding exists, is concisely stated by the New York Journal of Commerce, an entirely reliable authority, —

We stated some days ago that the present tariff averaged for the year 1887 just 47.10 per cent on all dutiable imports, and that the proposed Mills tariff, on the same reckoning, would bring this average down to about 40¼ per cent.

As the duties only averaged 18¾ per cent when the war broke out, and the average from 1830 to 1862, a period of 32 years, was only 31.42, or about 31¼ per cent, it is easy to see that the Mills bill, with its 40¼ per cent, is still a very high rate of taxation, with no suggestion of free trade in it, an ample protection for every manufacturer in the country. The highest range of the old protective tariff, so dear to the disciples of the Carey school, was 35 per cent, and we heard Mr. Carey say in one of his most earnest pleas in behalf of protection, that 35 per cent for an infant industry and 25 per cent after a few years of progress was all that any manufacturer ought to desire. What shall be thought of a man who asserts that a 40¼ per cent tariff is an attempt to establish free trade, simply because it follows an excessive war tariff averaging 47.10 per cent?

In regard to this "average" we find that the word is very much misunderstood. A very intelligent gentleman has written us a letter upon it, from which we make the following extract: "I have frequently noticed in the press the statement that the so-called war tariff imposes an average duty of 47¼ per centum. Will you be kind enough to explain the meaning of this, how the 'average' is ascertained, and whether the conversion of specific duties into their *ad valorem* equivalents enters into the statement? Are the articles in the free list

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taken into the account? Finally, do you know anything that *lies* like an average?" There has been much said to which the word in italics may fitly apply, but the statement of the "average" of the duty is free from that charge.

Our correspondent evidently supposes that some one has taken a copy of the tariff and therefrom made an average of the charges to be collected. But the percentage has been obtained by a much simpler process. Suppose a merchant sells a great variety of goods during a day, some at 10 per cent profit and some at 100 per cent gain, and at night he finds he has sold by strict account goods that cost him just $1,000 and has received for them $1,500, which he has in the drawer. He does not get at his average profit by adding the 10, 20 and 100 percentages together, but by a shorter calculation. If goods costing $1,000 bring $1,500, he has made an average profit of 50 per cent, and there is no "lying" about it.

This is precisely the way the average rate of duty is ascertained. No free goods are included, but only the goods that pay a duty and pass into consumption. If upon a dutiable value, as summed up in the entries at the Custom House, amounting to $600,000,000 cash duties, reaching in all the sum of $300,000,000, had been collected, the average would be 50 per cent; but if only $282,600,000 had been received, the average is precisely 47.10 per cent. The entries of dutiable goods are all added together. The total of dutiable goods entered directly for consumption, and the total withdrawn from warehouse for the market, make together the total value on which the duties are levied. By adding these together and finding at the end of the year how much money they have all paid in the way of duty, we know to a cent what the average duty has been. There is no guessing and there is no "lying" about it, unless some one starts up and says that 40¼ per cent collected in this way is free trade!

The net free imports into the United States for the fiscal year 1887 were $228,515,977, upon which, of course, no duty was levied. The net dutiable imports which passed into consumption, and upon which the duties were levied, were $454,824,436, upon which an average duty of 47.10 per cent brought $214,222,309 in customs, which was received into the public treasury in actual cash. This is the way the "average" is ascertained, and as the government received the money, and must account for it, the amount cannot be overstated.

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II. REPUBLICAN OPINIONS.

(*Page* 36.)

Mr. McCulloch's views are neatly summarized in his letter to a Philadelphia tariff meeting, dated January 25, 1888, —

The tariff question is an economical question, and it would be an immense gain to the people if it were lifted out of politics and considered as such a question ought to be, with regard to its bearings upon great national interests. The present tariff was created when the government was engaged in a war of unparalleled magnitude, for the maintenance of its rightful authority. It has accomplished the object for which it was created, and now needs careful revision to accommodate it to the present conditions of the country. The surplus which it produces and locks up in the treasury, to the detriment of business, is only one of the many serious objections to it.

It is greatly prejudicial to our great farming interests by gradually, but effectively, diminishing the foreign demand for our agricultural productions at remunerative prices. It stands in the way of the restoration of our shipping interests by duties upon many articles which are needed in shipbuilding. It is anti-republican in its character and its influences, it fosters monopolies, and it "enriches the few at the expense of the many." It violates the constitution of the United States, inasmuch as upon many articles duties are imposed for protection, not for revenue.

Responsible Republican opinion, prior to the canvass of 1888, has been in accordance with the "pledges" of the platforms of 1868 and 1884 to reduce tariff taxation. Whence the new light? Some of these opinions are interesting reading to-day.

William McKinley, of Ohio, 1882, —

The free list might be enlarged without affecting injuriously a single American interest.

Senator Warner Miller, of New York, 1882, —

The sooner we have that (tariff) revision the better it will be for all industries.

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Senator Hawley, of Connecticut, 1882, —

I will vote in any direction to bring about a resolute attempt to give us a revision of the tariff. I say that as representing a protectionist constituency.

Benjamin Harrison, Nov. 28, 1882, —

If the report (of the tariff commission of 1882 recommending a reduction of duties) comes in, it should be promptly acted upon. My opinion is that no time should be lost after Congress assembles in bringing *forward these measures, and that no time should be lost during the holidays by adjournment.*

James G. Blaine on Lumber — June 10, 1868, —

During the entire war, when we were seeking everything on the earth, and in the skies, and in the waters under the earth, out of which taxation could be wrung, it never entered into the conception of Congress to tax breadstuffs — never. *During the most pressing exigencies of the terrible contest in which we were engaged, neither breadstuffs nor lumber ever became the subject of one penny of taxation.* . . . Now, as to the article of lumber, I again remind the House that there has never been a tax upon this article. The gentleman from Ohio may talk on this question as he pleases; but I say that wherever the Western frontiersman undertakes to make for himself a home, to till the soil, to carry on the business of life, he needs lumber for his cabin, he needs lumber for his fence, he needs lumber for his wagon or cart, he needs lumber for his plough, he needs lumber for almost every purpose in his daily life.

William D. Kelley, of Pennsylvania, on Free Wool — July 28, 1866, —

Let the raw material come in. Let us make blankets that will drive out English blankets. Let us make our own "English frieze" and "Peterboro' frosted beaver." Let us be able to rival England and France and other representative nations in making these cloths.

Senator Ingalls, February 15, 1878, —

We cannot disguise the truth that we are on the verge of an impending revolution; the old issues are dead! The people are arraying themselves upon one side or the other of a portentous contest. On one side is capital, formidably entrenched in privilege, arrogant from continued triumph, conservative, tenacious to old theories, demanding new concessions, enriched by

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domestic levy and foreign commerce, and struggling to adjust all values to its own standard. On the other is labor, asking for employment, striving to develop domestic industries, battling with the forces of nature, and subduing the wilderness; *labor, starving and sullen in cities, resolutely determined to overthrow a system under which the rich are growing richer and the poor are growing poorer;* a system which gives to a Vanderbilt the possession of wealth beyond the dreams of avarice and condemns the poor to a poverty which has no refuge from starvation but the prison or the grave.

Charles J. Folger, Secretary of the Treasury, Annual Report, 1882, —

All agree that a revision of the tariff is necessary. The action of Congress in creating a commission for that purpose renders discussion on that point unnecessary. . . . The Secretary earnestly recommends a careful revision of the tariff, with a view to substantial reductions.

Henry Cabot Lodge, Massachusetts, September, 1884, —

Grave public questions confront us. *There is a large, perilous and growing surplus in the revenues. It must be removed, not by needless and extravagant expenditures,* not by abolishing the proper taxation of whiskey and tobacco, not by a stupid and injurious and horizontal reduction for politics only, but by plain business methods, by freeing entirely those great necessaries of life which enter into the daily consumption of every household, and by wise and discriminate reductions.

John D. Long, of Massachusetts, September, 1884, —

There are only two ways to reduce the tariff. One, by raising the tariff to a prohibitory height, which nobody advocates; the other, the free-list. *The free-list is the honest revenue reformer's hope.*

James A. Garfield, March 10, 1871, —

I was surprised at a remark of the distinguished gentleman from Michigan. He asserted that there is no item in the whole tariff that can stand alone on its own merits, but that all must be taken in a lump in order to stand. That coal must take salt by the hand, and they, too, must take something else by the hand; and thus all interests unite with all forces before they

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can make a stand before the country. *If this remark be true it strikes a blow at the whole tariff system, a blow I am not willing to strike. I am unwilling to admit that bad taxes must be tied to good ones and thus be kept afloat. I think it unwise to continue this duty on coal, and I am therefore in favor of its repeal.*

Mr. Allison in Congress, March 24, 1870, —

I will say with regard to the duty on wool and woollens, that I regard it not as an intentional fraud, *but as operating as though it were a fraud upon the great body of the people of the United States. I allude to the woollen tariff, a law, the effect of which has been to materially injure the sheep husbandry of this country.* In a single county in the state of Iowa, between 1867 and 1869, the number of sheep was reduced from 22,000 to about 18,000 in two years, and what is true of this county is true to a greater or less extent of other counties in Iowa, *and during this time the price of wool has been constantly depreciated.*

Mr. Lawrence. — I should like the gentleman to inform me how a reduction of the duties on wool and woollen goods would enure to the advantage of the wool grower?

Mr. Allison. — I will tell the gentleman how, in my judgment, the wool grower will be benefited. As the law now is, the tariff upon fine wools of a character not produced in this country is 100 per cent upon their cost. The tariff upon woollens of the same class is only about 50 per cent, so that the finer woollen goods are imported, and not the coarser fabrics. *Before the tariff of 1867 our manufacturers of fine goods mixed foreign fine wools with our domestic product, and were thus able to compete successfully with the foreign manufacturer of similar wools. But, being prohibited from importing this class of wools, these fine goods cannot now be produced in this country as cheaply as they can be imported. Consequently, mills that were formerly engaged in producing these goods have been compelled to abandon business or manufacture the coarser fabrics.* If they could afford to manufacture those fine goods, they would make a market which we do not now have, for our fine wools to be mixed with other fine wools of a different character from abroad. *This want of a market, as I understand it, is the reason why our fine wools now command so low a price.* There is no demand for them at home, and we cannot export them in competition with fine wools grown in other countries.

In 1867, John Sherman said, —

It is, therefore, simply an absurdity to talk now about free trade tariff, and to talk about a protective tariff is unnecessary, because the wit of man could not possibly frame a tariff that would produce one hundred and forty million dollars in gold without amply protecting our domestic industry.

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John A. Logan, in the House, April 18, 1870, —

Now when the gentleman, who seems to be the protector in an especial manner of the great labor interests of the country, speaks of this protection being the protection of the labor of this country, I ask him: does not every farmer and mechanic in this broad land make use of iron in all kinds of labor? The 4,000,000 men that have been freed recently are laborers, are producers, not manufacturers. They are not men of skilled labor; they evidently are not the men who are protected. *And then there are the men in the Northwest who produce corn, wheat, oats, pork and beans, etc.; they are producers and consumers, and are not protected; and it is they who pay this large amount of money into the pockets of the manufacturers of this article.* And when a gentleman stands upon this floor and tells me that this high, this extraordinary high tariff is for the protection of the laboring men of this country who are not skilled laborers, I tell him I do not understand how he can possibly substantiate such a theory.

Henry Wilson, in the Senate, 1857, —

The manufacturers, Mr. Chairman, make no war upon the wool growers. They assume that the reduction of the duty on wool, or repeal of the duty altogether, will infuse vigor into that drooping interest, stimulate home production and diminish the importation of foreign woollen manufactures and afford a steady and increasing demand for American wool. They believe this policy will be more beneficial to the wool growers, to the agricultural interests, than the present policy. The manufacturers of woollen fabrics, many of them men of large experience and extensive knowledge, entertain these views, and they are sustained in these opinions by the experience of the great manufacturing nations of the Old World.

Since the reductions of duties on raw materials in England, since wool was admitted free, her woollen manufactures have so increased, so prospered, that the production of native wool has increased more than 100 per cent. The experience of England, France, and Belgium demonstrates the wisdom of that policy which makes the raw material duty-free. Let us profit by their example. If our manufactures are to increase, to keep pace with the population and the growing wants of our people; if we are to have the control of the markets of our own country; if we are to meet with and compete with the manufacturers of England and other nations of Western Europe in the markets of the world, we must have our raw materials admitted duty-free, or at a more nominal rate. We of New

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England believe that wool, especially the cheap wools, manilla, hemp, flax, raw silk, lead, tin, brass, hides, linseed, and many other articles used in our manufactories, can be admitted duty-free, or for a mere nominal duty, without injuring, to any extent, any considerable interest of the country.

Horatio C. Burchard, of Illinois, March 24, 1870,—

If a duty averaging nearly 100 per cent on the cost of the foreign article is necessary to maintain this branch of industry (salt), we may well consider if it were not better to abandon it.

The business under a tariff of 15 per cent from 1857 to 1861 seems to have been flourishing. Does it require more protection as the business becomes established?

But the chief objection to the duty on salt is that, of the $3,000,000 paid for revenue and protection, the greater part is paid by sections of the country and industries that receive no corresponding benefits.

The chief consumption of salt is by those engaged in fisheries, and in raising and curing beef and pork.

III. MR. CLEVELAND'S PENSION RECORD.

(*Page* 41.)

Mr. Cleveland's record as to pensions is substantially as follows,—

He approved the act of March 19, 1886, which has increased to $12 per month the pensions of 102,568 widows, minors, and dependent relatives of Union soldiers. The total annual increase in money granted to these 102,568 pensioners, by reason of this approval, was $4,923,964..

He approved the act of August 4, 1886, which increased the pensions of 10,092 crippled and maimed Union soldiers of the late war from $24 to $30, from $30 to $36, and $30 and $37.50 to $45 per month. The average increase in these cases is estimated at $9 per month, or $108 per year, and the total annual increase in money granted to these 10,092 pensioners, therefore, $1,080,936. He approved the act of January 29, 1887, which has placed on the pension rolls 21,704 survivors and widows of the war with Mexico, at $8 per month, or $96 per year. The annual amount in money which these 21,704 Mexican pensioners will receive is $2,083,584.

He approved the act of June 7, 1888, granting arrears of pensions to widows from the date of their husbands' death, in

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all cases filed subsequent to June 30, 1880. The approval of the act of June 7, 1888, affects some 10,000 widows of the late war. The average amount of money which these 10,000 will receive is $108 in each case, making a total of $1,080,000.

So it will be seen that Mr. Cleveland approved general pension acts which directly and pecuniarily benefit some 164,344 ex-Union and Mexican war soldiers, their widows, orphans, and dependent relatives.

Mr. Cleveland approved or allowed to become laws by limitation, over 1,351 private acts granting pensions, while but 1,524 private pension acts were approved, or allowed to become laws by limitation, during the entire twenty-four years that the Republican party was in power. He approved, or allowed to become a law by limitation, nearly or quite *as many private pension acts as all of the Republican presidents from Lincoln to Arthur*.

THE FIGURES.

Number of private pension bills approved and allowed to become laws by limitation by President Grant in eight years, 485.

Number of private pension bills approved and allowed to become laws by limitation by President Hayes in four years, 303.

Number of private pension bills approved and allowed to become laws by limitation by President Arthur, 736.

Number of private pension bills approved and allowed to become laws by limitation by President Cleveland to August 14, 1888, 1351.

Average per year under Grant, 60.

Average per year under Hayes, 75.

Average per year under Arthur, 184.

Average per year under Cleveland, 360.

IV. TRUSTS.

(*Page* 59.)

The following are the trusts at present extant: sugar trust, salt trust, earthenware trust, Bessemer steel trust, plough steel trust, general steel trust, nail trust, general iron trust, copper trust, zinc trust, tin trust, lead trust, glass trust, soap trust, linseed-oil trust, rubber-shoe trust, envelope trust, paper-bag

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trust, cordage trust. Here are nineteen trusts in all, ten being on metals. Trusts may indeed exist in a free-trade country as they do in England. But the best opinion seems to be that only under a high protective tariff can a trust succeed and last.

Besides the difficulty of controlling the foreign producer of a trust commodity, whom a "protective" tariff excludes, under free trade conditions, it has been found extremely difficult under these same conditions to control the stimulated competition which enhanced "trust" prices naturally produce.

NAME OF TRUST.	Protected by duties, averaging, per cent.	Adjusted to guarantee a bonus in each $100 of product amounting to	Their whole expense for labor in $100 worth of product being
Salt trust	50	$33	$25
Earthenware trust .	56	36	40
Bessemer steel trust,	84	46	9
Plough-steel trust .	45	33	29
General steel trust .	45	33	29
Nail trust	45	33	22
General iron trust .	45	33	25
Copper trust . . .	24	22	22
Zinc trust	52	28	25
Tin trust	32	24	21
Lead trust	74	43	65
Glass trust	55	36	45
Soap trust	26	19	8
Linseed oil trust . .	54	35	5
Rubber shoe trust .	25	20	24
Envelope trust . .	25	20	11
Paper bag trust . .	35	26	15
Cordage trust . . .	25	20	12
Average.	. . . . .	30	$24

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V. FREE WOOL.

(*Page* 72.)

In 1885 the National Association of Wool Manufacturers made a statement to Daniel Manning, then Secretary of the Treasury, in which the argument for untaxed raw material was thus stated, —

The American manufacturer is engaged in a perpetual struggle with the manufacturers of Europe for the possession of the markets of this country. In this strife the European manufacturer possesses the advantage, which would be overwhelming, if not counteracted by special legislation, of having the raw material of his manufacture free from duty — no duties on wool existing in Great Britain, France, Belgium, the Netherlands, and very slight duties, if any, in other manufacturing nations. Our European competitors are exempt from the direct enhancement, by a duty, of the cost of wool, thus requiring less capital to supply their mills, and no cost of interest on the duty required in carrying their stocks of wool and goods. They are free from the apprehension of changes in the value of wool, such as have taken place in this country in consequence of no less than seventeen changes in the tariff on wools within the memory of living manufacturers. They are exempt from the duties on wool substitutes, so usefully employed to mix with wool in the manufacture of the cheaper and heavier cloths, — duties which with us are absolutely prohibitory. They are able, from the lower cost of their raw material, to relieve themselves from over-production by consigning their surplus stocks, at comparatively slight sacrifice, to foreign markets, to which their cheapness has already introduced them. They are not compelled, as we are, to discriminate in their choice of wool to avoid the effect of the duty, and are able to select their wools in any condition, whether unwashed, washed, or scoured, with reference only to their desirable qualities. Through freedom of importation they have near markets,— as at London, Havre, Antwerp, and Berlin — offering vast assortments and a steady supply of all kinds of wool, — advantages specially favorable to the small manufacturer. This exemption from all restrictions in the selection of raw material, together with the facilities for supply, and the certainty that values will not be disturbed by legislation, is believed to be the chief cause of a characteristic of the European woollen industry — namely, that the manufacturer abroad obtains success by adhering with steady attention to the special fabrics he has undertaken to make, and in which

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he has acquired excellence, while diversification of manufactures, so necessary to prevent overproduction, is encouraged by the equal availibility of all varieties and conditions of raw material.

The petition of the workers in textile industries of Philadelphia presented in Congress June 29, 1888, is to the same effect, —

According to Bowes & Co., an accepted authority, 100 pounds of greasy wool will make 21.45 pounds of finished cloth, and on this basis it will require 530 pounds of greasy wool to make 100 yards of cloth with backing, weighing 18 ounces to the yard. Suppose this cloth is made of four different kinds of wool, the cost to the English manufacturer would be, —

150 pounds of fourth quality, at 12 cents . .	$18.00
130 pounds of third quality, at 24 cents . . .	31.20
125 pounds of second quality, at 26 cents . .	32.50
125 pounds of first quality, at 33 cents . . .	41.25
Total cost of wool	$122.95

With precisely the same grades of wool the cost to the American manufacturer would be, —

150 pounds of fourth quality, at 23.94 cents .	$35.91
130 pounds of third quality, at 37.54 cents . .	48.80
125 pounds of second quality, at 39.64 cents .	49.55
125 pounds of first quality, at 49.61 cents . .	62.01
Total cost of wool	$196.27
Excess of cost to the American manufacturer	73.32

The total cost for labor in making this cloth is not over 27 cents per yard, or $27 for the whole, showing that the tariff-enhanced cost of the material is nearly three times the entire expense for labor.

The importations of woollen and worsted yarns for the years 1886-87 were 7,039,448 pounds, valued at $4,030,738, on which duties were paid amounting to $2,777,582. The amount of wool required to make this yarn is 28,157,792 pounds. The duty on the wool would be $2,815,779, and adding the charges for carrying the duty we have a total tax burden on the wool of $3,097,356, or $319,776 in excess of the duty on the yarn. The total cost for labor in making this yarn is not over $700,000, showing that the tax on the wool is nearly four and a half times the total labor cost in the yarn. This, on the theory advanced by the modern protection school,

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can be called by no other name than protection to foreign manufacturers and labor.

The per cent of duty on the yarn is 69.11, and on the cloth 70.40, a difference of but 1.29 per cent; but as there is a loss by waste and shrinkage in weaving, dyeing, and finishing, of 3 to 5 per cent, we find that this difference between the yarn duty and that on the cloth is more than neutralized, and thus the "protective" duty is again in favor of the foreign cloth manufacturers, who could not have done better for themselves if they had been permitted to make our tariff laws for us.

Under the present law, the percentage of duty on the finer and more costly fabrics is always lower than on the coarser and cheaper grades, thus depriving us of the chance to work upon the better class of goods, upon which our work would be lightest and our earnings largest.

The importation of woollen and worsted cloths for the year ended June 30, 1887, was, of the value not exceeding 80 cents per pound, 1,117,564 pounds, valued at $713,315, on which duties were paid amounting to $640,808. Per cent of duty, 89.84. Value above 80 cents per pound, 7,689,699 pounds, valued at $9,309,054, on which duties were paid to the amount of $6,415,016. Per cent of duty, 68.91.

This shows how we are crippled both in our earning powers and in the exercise of our skill, by the infamous discriminations of the tariff, which at the same time make the burdens upon the rich comparatively lighter than upon the poor.

VI. IRON AND STEEL.

(*Page* 75.)

Under no possible condition of the world's trade, could the United States be "inundated" by foreign iron and steel, if not one dollar of the present tariff tax was levied on them. Iron, as everybody may know, lies at the base of civilization on the side of its industries, so that the degree in civilization of any nation may be gauged by the amount of the iron and steel which it consumes. From the data already given, it appears that the annual consumption of steel and iron in the United States, from 1878 to 1887 inclusive, was about 6,000,000 tons, or a little less than 30 per cent of the entire production of the world. In that period, then, the consumption

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of iron and steel in the United States was 75 per cent of all that Great Britain produced, and in 1889 nearly equalled the entire annual output of Great Britain. If, then, Great Britain could "inundate" this country with all the iron and steel we use, she would not have one ton left at home. But Great Britain has a few manufactures of her own, and needs just a little iron and steel for her houses, bridges, machineries, steamships, railroads, etc., as well as for colonies like Australia, and a trifle, at least, for some of her European neighbors. As a fact, Great Britain uses most of her output of iron and steel in her own industries. Furthermore, as every other country, with the possible exception of Belgium, Sweden, and Norway, imports more iron and steel than it exports, where in the world, under any circumstances, can the United States get most of its iron and steel except out of its own mines and furnaces?

But it may be said if iron and steel are made free, Great Britain will set more men to work in her mines and furnaces and pour a whole ocean of iron and steel upon our devoted heads in an "inundation," which would drown out all our own mines and furnaces. This is certainly a sad picture to look on, and so we may as well look on another picture, painted out of the actual facts. Great Britain imported in 1887 nearly 4,000,000 tons of iron ore from Spain, Elba, and Africa, every ton of which came in free of duty. In 1888, the United States imported nearly 2,000,000 tons, and paid a duty on the same of 38 per cent. The fact is, that the English mines of the better iron ores have been worked so long and so energetically that, while not given out entirely, they are growing every year more difficult to work, and their output consequently more expensive. For this reason, the advantage which Great Britain once had in mining, even over countries like Belgium and Germany, long since

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passed away. As to the protection "spook" of pauper labor creating goods so cheaply as to defy our competing with European manufacturers, it has been disproved a thousand times before to-day, and can be disproved by the facts ten thousand times to-morrow in all shops and in all markets. Yet it may not be amiss to say that in the production of coke, which enters largely into the cost of the manufacture of iron and steel, while the cost per ton in different parts of England ranges from $1.70 to $3.57, and is $2.57 in Belgium, the price in the United States at the oven is $1.22.

Thus, while the English iron mines are on the wane, and their owners must necessarily look forward towards the end, near or far off, as the case may be, the American iron and coal mines grow yearly in number and value to an extent which the world has never before seen. The mine-owners of Alabama, for instance, where coal and iron ore lie almost side by side, can manufacture iron and steel at a less cost than is possible elsewhere on the globe — even including Pennsylvania. Very much the same state of things undoubtedly exists in certain parts of Tennessee and North Carolina. When the ample capital which has been attracted there completes its plant, and begins to send its iron and steel over the railroads now building or built, it is perfectly safe to say that the new mills will either hopelessly glut our home market in the first six months, or must find an open way into the markets of the world. If they gain possession, or even a fair foothold in those markets, the danger of those markets "inundating" us with iron and steel is evidently infinitesimally small. If they do not find that market, they will "inundate" the Pennsylvania mines with cheap iron, unless the two sections form a trust and limit the output, or unless Pennsylvania can persuade Congress, by some indirect avoidance of the Constitution, to "protect" her from the "pauper"

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iron of the Southern States. From this point of view it would seem to follow that the State which is most interested to have iron and steel free is Pennsylvania herself; since in a struggle with Alabama for the home market she would undoubtedly come off second best, and in case of a glutted home market it would be the South which could sell at a profit the iron and steel which cost her less to produce than Pennsylvania. The next interest which, as the facts are, is most concerned to have free iron is the new iron industry of the South, since, while it will soon come to have no dangerous competition at home, and has only to dread a glutted home market, it needs and must have a free and open road into the markets of the world. Of course the millions who consume iron goods have a standing interest of the largest kind in having iron free, — and thereby getting iron goods reduced in price. The farmers' and manufacturers' machinery, the sailors' iron ships, have, of course, the same interest.

It may indeed be said that free iron and steel would be fatal to other mines and manufactories than those of Pennsylvania and Alabama. Only to those which are misplaced as regards transportation or their raw material, or with effete machinery — or, in other words, only to those unwise, and, so to speak, impossible iron industries which were, from the start, business mistakes. And these must perish, anyhow, under a tariff or no tariff, and their fate is hastened by the newly discovered cheapness of the Southern iron mines. Business mistakes have certainly no claim to dominate the financial policy of the country in the fundamental iron industry.

On the other hand, with iron and coal free, our American manufacturers of iron and steel would in less than five years dominate the markets of the world. In that case, the insurance of our own iron and steel masters against foreign competition in our home market would be complete.

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VII. PRIVATE TAXATION IS ILLEGAL TAXATION.

(*Page* 82.)

Further extracts from the opinion in the "Topeka Case" show even more clearly the reasoning of the Court, that private taxation is illegal taxation, —

It must be conceded that there are such rights [as that to insist that taxation should be for a public object] in every free government beyond the control of the state. A government which recognized no such rights, which held the lives, the liberty, and the prosperity of its citizens subject, at all times, to the absolute disposition and unlimited control of even the most democratic depositary of power, is, after all, but a despotism. It is true it is a despotism of the many, of the majority, if you choose to call it so, but it is none the less a despotism. It may well be doubted, if a man is to hold all that he is accustomed to call his own, all in which he has placed his happiness, and the security of which is essential to that happiness, under the unlimited dominion of others, whether it is not wiser that this power should be exercised by one man than by many. . . . The power to tax is, therefore, the strongest, the most pervading of all the powers of government, reaching directly or indirectly to all classes of the people. It was said by Chief Justice Marshall, in the case of *McCulloch vs. The State of Maryland* (4 Wheaton, 431), that the power to tax is the power to destroy. A striking instance of the truth of the proposition is seen in the fact that the existing tax of 10 per cent imposed by the United States on the circulation of all other banks than the National Banks drove out of existence every State bank of circulation within a year or two after its passage. This power can as readily be employed against one class of individuals and in favor of another, so as to ruin the one class and give unlimited wealth and prosperity to the other, if there is no implied limitation of the uses for which the power may be exercised. . . . But, in the case before us, in which the towns are authorized to contribute aid by way of taxation to any class of manufactures, there is no difficulty in holding that this is not such a public purpose as we have been considering. If it be said that a benefit results to the local public of a town by establishing manufactures, the same may be said of any other business or pursuit which employs capital or labor. The merchant, the mechanic, the innkeeper, the banker, the builder, the steamboat owner, are equally promoters of the public good, and equally deserving the aid of the

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citizens by forced contributions. No line can be drawn in favor of the manufacturer which would not open the coffers of the public treasury to the importunities of two-thirds of the business men of the city or town.

The opinion of the Supreme Court of the United States that taxation for a private purpose is unconstitutional, though there is an incidental public gain, is the general law of the country.

Thus, in Maine, in the case of *Allen vs. The Inhabitants of Jay* (60 Maine, 124), it was held that a town had no authority to raise money by taxation to loan to a firm of individuals on their investing $12,000 in a steam saw mill, grist mill and box factory machinery, to be built in the town, even though the loan was to be secured by a mortgage on the mill, and a special act of the Maine legislature had ratified the vote of the town.

"Ultimately," the Court say, "it will be found that the question resolves itself into an inquiry, whether the legislature can constitutionally authorize the majority of a town to loan their own and the money of a minority raised by taxation and against the will of such minority, as such majority may determine. . . . If there is any proposition about which there is an entire and uniform weight of judicial authority, it is that taxes are to be imposed for the use of the people of the State in the varied and manifold purposes of government, and not for private objects or the special benefit of individuals. . . . The acquisition, possession, and protection of property are among the chief ends of government. To take directly or indirectly the property of individuals to loan to others for purposes of private gain and speculation, against the consent of those whose money is thus loaned, would be to withdraw it from the protection of the constitution and submit it to the will of an irresponsible majority. It would be the *robbery* and spoliation of those whose estates, in whole or in part, are thus confiscated. No surer or more effectual method could be devised to deter from accumulation, to diminish capital, to render property insecure, and thus to paralyze industry."

So the Supreme Court of Wisconsin, in the case of *Whiting vs. Fond du Lac Railroad* (25 Wisc. 167, 188), held that a statute authorizing the supervisors of a county (after an affirmative vote of the people of the county) to raise money by taxation and give it

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to a railroad was invalid as an illegal exercise of the taxing power. The Court say, —

It is obvious if public benefits and advantages of this kind (the benefit to the public of having a railroad), and which may be properly called incidental, constitute a public use which will justify a resort to either of these sovereign powers of government (eminent domain or taxation), that then all distinction between public and private business, and public and private purposes, is obliterated, and the door to taxation is opened wide for every conceivable object by which the public interest may be directly or in any wise promoted. Such a doctrine would be subversive to all just ideas of the powers of government, and destructive of all rights of private property, leaving every man's estate to be held by him as a mere grace or favor received at the hands of the legislative body.

So in *Lowell vs. City of Boston* (111 Mass. 454), the Supreme Judicial Court of Massachusetts held that a statute authorizing the City of Boston to raise, by taxation, a sum not exceeding $20,000,000, to be loaned on mortgage to the owners of land in that city, whose buildings had been burned by the great fire of 1872, was void. The legislature of Massachusetts had been called together by the governor in extra session for the purpose of affording relief to the city in its great calamity. But the Court held the tax was unconstitutional as being levied for other than a public purpose, —

The promotion of the interests of individuals, either in respect of property or business, although it may result incidentally in the advancement of the public welfare, is, in its essential character, a private and not a public object. However certain and great the resulting good to the general public, it does not by reason of its comparative importance cease to be incidental. The incidental advantage to the public, or to the State, which results from the promotion of private interests, and the prosperity of private enterprises or business, does not justify their aid by the use of public money raised by taxation, or for which taxation may become necessary. It is the essential character of the direct object of the expenditure which must determine its validity as justifying a tax, and not the magnitude of the interests to be affected, nor the degree to which the general advantage of the community, and thus the public welfare, may be ultimately benefited by their promotion.

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Judge Thomas M. Cooley, of Michigan, in "Constitutional Limitations,"—

Constitutionally a tax can have no other basis than the raising of revenues for public purposes, and whatever governmental exaction has not this basis is tyrannical and unlawful. A tax on imports, therefore, the purpose of which is not to raise revenue, but to discourage and indirectly prohibit some particular import for the benefit of some home manufacturer, may well be questioned as being merely colorable, and, therefore, not warranted by constitutional principles.

VIII. DELVING INTO DEBT.

(*Page* 98.)

The simple fact is that a high protective tariff wall against imports, as contrasted with free trade in its workings, is as if villages in the rainless delta of the Nile were to wall out the annual flood, with its fertilizing mud from Abyssinia, and then set to work to manufacture manures and distil water. (There would be plenty of work for somebody thereabouts.) On the other hand, suppose that one village in a free trade temper, which is always willing to let any good gift of God come into the lap of His busy and hard-working children, cleared away all obstructions and let the Nile come in all it would or could. What would happen if both kept on this way? The village with its free Nile would have such big crops at such a cheap cost that it would undersell its neighbors in all neutral markets, and in their own too, if the tariff was not too high, and with its surplus turn round and buy whatever it wanted from its neighbors, desolated by scarcity and high prices, consequent on their "protecting" themselves against a gift of nature which they drove away, and which their neighbors accepted with thanks. — BADEN POWELL'S State Aid and State Interference. Pp. 229–30.

IX. PINEAPPLES AND PORTER.

(*Page* 99.)

Take a supposed case in illustration. Pineapples can be grown in England for 2s. 6d. each; equally good pineapples can be sent from Jamaica at a cost of 6d. each, including 2d. profit to the grower. So Jamaica exports great quantities of pineapples into England. But porter cannot be made in Jamaica, so warm is the climate, at less cost than 2s. 6d a bottle.

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It can be made in England at 6d. a bottle, including 2d. profit to the brewer. The cost of carriage to and fro is the same for a bottle or a pineapple. We send to Jamaica, say, 1000 bottles of porter, costing £25. We receive from Jamaica 1000 pineapples costing £25. The brewer in England, by having a market in Jamaica, has made £8 profit; and so, too, the pineapple grower in Jamaica, by having a market in England, has made £8 profit. Both parties have gained by the exchange. But the public, the consumers in both England and Jamaica, have gained vastly more. But now suppose a tariff prohibited pineapples from entering England and porter from entering Jamaica. Then the porter drinkers would have to pay £125 instead of £25 for the thousand bottles, and the eaters of pineapples would have to pay £125 instead of £25 for every 1000 pineapples, or, in other words, Jamaica would have been impoverished £100 and England £100 on every such transaction.

Why not let both the porter and the pineapples go scot-free? — POWELL'S State Aid and State Interference. Pp. 227–28.

X. MACHINERY.

(*Page* 110.)

So far as this nation goes at present, our machinery is knocking against the tariff wall to get out; foreign machinery is knocking to get in. But machinery is only the inevitable evolution of civilization. As our tariff is therefore assailed on both sides by civilization itself, it is only a question of time as to its being broken through. In the clash of machinery between our market and the foreign market, all the facts show that the United States would come out on top.

A few facts as to machinery as evolved by civilization. That the first effect of improved machinery is to bring temporary distress to many persons, cannot be denied. The history of manufactures all over the world proves it. That the final result is to bring comfort and prosperity to the mechanic, is equally true and proved by the same authority. Thus when Arkwright invented his cotton-spinning machine in 1760 there were 5,200 spinners on the spinning-wheel,

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and 2,700 weavers — total, 7,900 — in Great Britain. Many of these were thrown out of work and there was much distress. Mobs destroyed the machines and had to be put down by force. But in 1787 — twenty-seven years after the invention — Parliament found on inquiry that the number of those engaged in the spinning and weaving business had risen to 320,000 — an increase of 4,400 per cent; while in 1888 the number was at least 2,500,000. The same statistics and results are shown in France and Germany; indeed, in all civilized countries. Machines are a blessing to wages and labor.

More people are probably now employed and well paid in industries based upon new inventions and utilizing old forces of Nature than were employed altogether in civilized Europe and America a hundred years ago — farm machines; the telegraph; ocean and land photography; the electrotype; the steam excavator and steam drill; the sewing-machine; the electric light; the steam fire-engine; the telephone; all the new ways of refining sugar; steamships, railroads, and a host of others. There is even an improvement on the old-fashioned mill-stone, by the substitution of steel rollers, where, by the new system of grinding grain, 74 per cent of the wheat goes into flour, leaving 26 per cent in offal and bran, as against 33⅓ per cent left by the old system. In the manufacture of agricultural implements, 600 hands do the work that formerly required 2,145; in boots and shoes, one man does the work of five, and supplies enough shoes to furnish 1,000 men; in the carpet manufacture one man does the work that once required from 10 to 20; in spinning, the work of from 75 to 100 men. In the manufacture of paper a new machine for drying and cutting, run by 4 men and 6 women, will do the work of 100 persons; so also in wall paper. The mechanical industries of the United States carried on by steam and water represent the labor of 21,000,000 men.

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Our railroads, with 250,000 men, now do the work which, forty years ago, would have required 13,500,000 men and 54,000,000 horses. To do the work forty years ago in factories and on railroads which we do to-day would have required a population of 175,000,000 more than our 60,000,000 now in the land. Forty years ago Indian corn was shelled by scraping the ear against the edge of a frying-pan or shovel, at the rate of about 5 bushels in 10 hours. Our six great corn States would be obliged to have all their people (2.056,770) to sit astride frying-pans and shovels 110 days in order to shell their corn crop. In 1790, before the grain cradle was invented, a day laborer in England could reap with a sickle only about one-fourth of an acre of wheat. Now a man with two horses can cut, rake, and bind in a day twenty acres. After reaping-machines had come in the Western States, the farmers were troubled to find decent men to bind their wheat. Thereupon a machine was invented to bind and reap at the same time. From all which it appears that labor-saving machines have come to stay for the benefit of the laborer as well as the consumer. And the inventive genius of Americans has not yet exhausted itself or lost its cunning.

Nor in this march of machinery does capital escape a very heavy loss. If to-morrow a new labor-saving machine in any of our great textile industries of cotton or wool were invented, and saved even 10 per cent of the old cost, every old machine would only be worth its weight as old copper and iron, and capital must either put in the new machine or go out of business. The law of trade has no mercy either on man or master. Moreover, while labor could adapt itself to some new occupation, capital would make substantially a dead loss of all its old machinery.

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XI. DO HIGH PRICES MAKE HIGH WAGES?

(*Page* 113.)

Mr. Roger Q. Mills, father of the "Mills Bill," treats this question in a very happy way, in his speech in the House of Representatives, April 17, 1888, —

It is said a high tariff makes high wages for labor. It is said if we reduce the tariff wages must be reduced. How is it high tariff makes high wages for labor? How can it be explained? Why, they say, if you increase the value of the domestic product, the manufacturer is able to pay higher wages. Unquestionably he is, but does he do it? No. Mr. Jay Gould, with his immense income from his railroad property, is able to pay his bootblack $500 a day, but does he do it? Oh, no; he pays the market price of the street. He gets his boots blacked and pays his nickel, like a little man. Mr. Vanderbilt, from the income arising from the interest on the immense amount of bonds of the Federal Government he has got, can afford to pay his hostler $10,000 a year. He is able to do it; his bonds enable him to do it; but does he do it? Oh, no; he goes out into the market and employs his labor at the market value, and pays the same price that the humblest citizen in New York does.

High tariff does not regulate wages. Wages are regulated by demand and supply, and the capacity of the laborer to do the work for which he is employed. If high tariff regulated wages, how is it the wages in the different States of the Union are different while the tariff is all the same from Maine to California? In every part of the territory of the United States the tariff is the same. How is it the wages are not the same? How is it that wages in the different localities in the different States are different? What is the cause? What is it which disturbs the tariff and prevents it from fixing a high rate of wages all over the country for labor?

We find by the census the rate of wages in the cotton industry is lower in Rhode Island than in Pennsylvania, and we find the wages in the iron business are higher in Rhode Island than in Pennsylvania. Why is that so? It is not the tariff that does it. It is the demand and supply of the people to do the work demanded of them. There are more cotton operatives in Rhode Island and the supply is greater, and therefore the wages are lower. The same thing is true about

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the iron business in Pennsylvania. The wages of cotton operatives in Pennsylvania are higher because there are fewer in Pennsylvania than in the State of Rhode Island. It is not the tariff that regulates the wages. Well, what is it that fixes the high rate of wages in this country?

It is admitted by all who are well informed on this subject that our rate of wages is higher than anywhere else in the world, that England is higher than France, and that the rate of wages is higher in France than in Germany. Why is this? Germany and France both have a protective tariff to guard against the free-trade labor of England. What then is it that makes higher wages? It is coal and steam and machinery. It is these three powerful agents that multiply the product of labor and make it more valuable, and high rate of wages means low cost of product. A high rate of wages means that cheap labor has got to go; and the history of our country in the last fifty years demonstrates that as clearly and as conclusively as any mathematical problem can be demonstrated.

It is significant that in Great Britain wages *went up* between 1872 and 1883, 9 per cent: while they *went down* in Massachusetts during the same period 5 per cent. — Mass. Labor Report, 1885, p. 143.

XII. STRIKES AND LOCKOUTS.

(*Page* 113.)

The following table of strikes and lockouts during the "protected" years, 1881–86, both inclusive, is believed to be accurate, —

Years.	Number.		Average establishments to a strike.	Employés striking and involved.	Number.		Average establishments to a lockout.	Employés locked out.
	Strikes.	Establishments.			Lockouts.	Establishments.		
1881 . .	471	2,928	6.2	129,521	6	9	1.5	655
1882 . .	454	2,105	4 6	154,606	21	42	2.0	4,131
1883 . .	478	2,759	5.8	149,763	28	117	4.2	20,512
1884 . .	443	2,367	5.3	147,043	38	354	9.3	18,121
1885 . .	645	2,284	3.5	242,705	52	183	3 5	15,424
1886 . .	1,412	9,893	7.0	500,514	127	1,477	11.6	100,705
Total .	3,903	22,336	5.7	1,324,152	272	2,182	8.0	159,548

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XIII. HOUSEKEEPING IN ENGLAND AND MASSACHUSETTS.

(*Page* 115.)

Comparative cost of living in Massachusetts and Great Britain. Higher in Massachusetts: rents, 89 per cent; board and lodging, 39 per cent; fuel, 104 per cent; clothing, 45 per cent; dry goods, 13 per cent; boots and shoes, 62½ per cent; groceries, 16 per cent; provisions, 23 per cent. (Report of the Massachusetts Bureau of Statistics for 1884.)

Between 1860 and 1878, notwithstanding the great improvements made in cheapening the cost of production, the cost of living in Massachusetts increased 14½ per cent.[1] For a family spending $500 it costs $68 more to live in Massachusetts than in England, on precisely the same scale.[2]

XIV. "PAUPER LABOR" ON SHOES.

(*Page* 116.)

The facts in this connection are set out by the Hon. John E. Russell, a Massachusetts Representative, May 28, 1888, —

A great deal has been said about "pauper labor" and about the workingmen of New England — of Massachusetts, for instance — being unable to compete with it. I scorn that argument. My people can compete with the labor of any part of the world if they have a free field. Let me give you an instance in our boot and shoe industry which will prove that. A few years ago one of the great inventors of the State of Massachusetts, one of the makers of those magnificent automatic machines that play so great a part in the manufactures of our day, invented and took out letters patent all over the world for sewing and heeling machines which turned out the handsomest

[1] Mass. Labor Rep. 1885, p. 143.
[2] Ib., p. 157.

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boots and shoes that can be made. The proprietors of those machines did not choose to sell them directly to the manufacturers; they preferred to lease them, their use being paid for by a royalty upon each boot or shoe sewed on them, the number being indicated by a device which registered it upon the machine itself.

After that machine was started in this country, they went over to Europe with it, and introduced it into the great boot and shoe manufacturing establishments not only of Great Britain, but also of Germany, and at the end of the year they were very much surprised to find that their royalties from the machines in use in England reached only 47 per cent of what they collected in the State of Massachusetts. They were alarmed and suspicious. They knew that from the accurate construction of the machine and the certainty of its registering power it could not tell any lie about its own work; so they sent over one of the ablest men in Massachusetts in the examination of patent matters to investigate.

He came back and told them that they were getting an honest return from the foreign boot and shoe manufacturers, and that the explanation was that the best labor of England could not produce with those machines more than 47 per cent of the amount of work that was produced by the Massachusetts operatives upon the same machine. That meant that the American mechanic, with his enterprise and his ambition, standing at those machines, worked more hours a day, at a greater rate of speed, than did the "pauper labor," as it is called, of Great Britain; it meant that the Englishman quit work on Saturday afternoon and did not come back to work until Tuesday morning; it meant that he would not work as many hours or stand to his work as well as the Massachusetts workman; and there is the whole difference between "pauper labor" and free labor.

XV. ENGLAND LIKES "PROTECTION."

(*Page* 118.)

But, in spite of these advantages, he reported to his people that the mill-owners of Manchester need not indulge in any serious fears of competition from this country. He said, in concluding his observation, —

While, however, the American nation heaps duties upon the import of foreign machinery, thus increasing the price of mill

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construction, and in other ways by her tariff arrangements artificially raising the cost of production, American manufactures will continue too high in price to compete with England in all but exceptional cases.

XVI. HIGH WAGES, LOW COST.

(*Page* 119.)

That the difficulty is not in the labor cost of American woollens is abundantly shown by the facts set out in the "Textile-Workers' Petition to Congress," presented to the House June 29, 1888, —

The relative productivity and earnings of the woollen and worsted weavers in the United States and England will show, too, whether the high standard of wages has been kept up here; and, to make the comparison perfectly fair, we will presume that both weave the same class of goods, 80 picks to the inch:

Speed of loom, United States, average, 85 picks per minute.
Speed of loom, England, maximum, 60 picks per minute.
Hours of labor, United States, 60 per week.
Hours of labor, England, 54 per week.
Product per weaver per week of continuous work, United States, 106 yards.
Product per weaver per week of continuous work, England, 68 yards.

The average loss of time caused by breakages, etc., being about one-fifth, the net product per week would be in the —

United States, 85 yards.
England, 54 yards.

The highest average rate of wages paid in this country for this class of work is 2 mills per pick per yard, or 16 cents per yard for 80 pick work, and if the same rate was paid in England it would follow that the American weaver can earn a possible wage of $13.60 cents per week to the English weaver's possible $8.64. Of course the actual earnings are less in both cases, but the relative difference will not vary either on a rise or fall. The earnings, however, vary so much throughout our own country as to bring the time earnings of our weavers in some cases even lower than the time earnings of some of the European weavers, as will be seen from the following table,

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compiled from the first annual report of the National Commissioner of Labor, and the same rule holds good for every other class of workmen in the woollen industry.

Daily wages of woollen weavers in the United States:

Delaware	$1.71	New Jersey . . .	$1.00
Illinois	1.52	New York . . .	1.08
Indiana	1.08	North Carolina . .	.75
Massachusetts . .	1.28	Vermont	1.17
Pennsylvania . .	1.85	Connecticut . . .	1.16

According to the United States consular reports the earnings of woollen weavers in England vary from $3.50 to $11 per week. If we keep in view the relative productivity of the labor of this country and England, we cannot avoid the conclusion that the $4.50 per week in North Carolina is below the lowest of England, and does it not prove that the American manufacturer gets his work done cheaper than the English manufacturer, and that therefore the wages of labor do not and cannot find consideration in his cry for more protection? It also proves that we are brought into daily competition with labor in our own country that may be as justly called "pauper labor" as that of Europe. It further proves that the tariff has not even preserved to us our just share of the natural opportunities of the country; that it has only been instrumental in building up colossal fortunes for the few, and that a continuance of it will end in our degradation to a condition of serfdom.

XVII. CLEVELAND'S CHARACTER.

(*Page* 136.)

A much quoted opinion of Mr. Cleveland's characteristics, by one entirely competent to judge, was presented by the Hon. James Russell Lowell, at a Revenue Reform Meeting in Boston, December 29, 1887. A portion is appended, —

One, certainly, of the reasons that have brought us hither — one, at least, of those that chiefly suggested the opportuneness of our coming together here — has been the President's message at the opening of the present Congress. Personally, I confess that I feel myself strongly attracted to Mr. Cleveland as the best representative of the higher type of Americanism

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that we have seen since Lincoln was snatched from us. And by Americanism I mean that which we cannot help, not that which we flaunt — that way of looking at things and of treating men which we derive from the soil that holds our fathers and waits for us. I think we have all recognized in him a manly simplicity of character and an honest endeavor to do all that he could of duty, where all that he would was made impossible by difficulties, to the hourly trials and temptations of which we have fortunately never been exposed. But we are not here to thank him as the head of a party. We are here to felicitate each other that the Presidental chair has a man in it, and this means that every word he says is weighted with what he is. We are here to felicitate each other that this man understands politics to mean business, not chicanery; plain speaking, not paltering with us in a double sense; that he has had the courage to tell the truth to the country without regard to personal or party consequences, and thus to remind us that a country not worth telling the truth to is not worth living in; nay, deserves to have lies told it and to take the inevitable consequences in calmly.

If it be lamentable that acts of official courage should have become so rare among us as to be noteworthy, it is consoling to believe that they are sometimes contagious. "So shines a good deed in a naughty world." As courage is pre-eminently the virtue of men, so it is the virtue which most powerfully challenges the respect and emulation of men. We thank the President for having taught a most pertinent object lesson, and from a platform lofty enough to be seen of all the people. We should be glad to think, though we hardly dare to hope, that some of the waiters on popular providence, whom we humorously call statesmen, would profit by it. As one of the evil phenomena which are said to mark the advance of Democracy is the decay of civic courage, we should be grateful to the President for giving us reason to think that this is rather one of its accidents than of its properties.

Whatever be the effect of Mr. Cleveland's action on his personal fortunes, let us rejoice to think that it will be a stimulating thorn in that august chair for all that may sit in it after him. Would that all our Presidents might see and lay to heart that vision which Dion saw, that silent shape of woman, sweeping and ever sweeping without pause. Our politics call loudly for a broom. There are rubbish heaps of cant in every corner of them that should be swept out for the dustman. Time to cart away and dump beyond the sight or smell of mortal men. Mr. Cleveland, I think, has found the broom and begun to ply it.

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XVIII. PROGRESS WITH LOW TAXES.

(*Page* 137.)

Upon a fair examination of statistics (official) it appears that the rate of increase in the commonly recognized evidences of prosperity — population, wealth, wages, etc. — was greater under the low-tariff period, 1850–1860, than under the period of a restrictive tariff between 1870 and 1880. The tabulated results are given below. (Tenth U. S. census, Vol. VII., pp. 3, 4, 13):

Lines of Progress.	Increase per centum under low tariff, from 1850 to 1860.	Average increase per centum under high tariff, for each ten years, 1860 to 1870, and 1870 to 1880.
Population	35.5	26.2
Wealth	126.6	61.0
Foreign commerce, aggregate	131.0	45.6
Foreign commerce, per capita	70.3	15.2
Miles of railroad, aggregate	240.0	69.0
Miles of railroad, per capita	150.0	34.0
Capital in manufactures	90.0	66.0
Wages in manufactures, aggregate,	60.3	58.2
Wages in manufactures, per hand	17.3	9.4
Products of manufactures	85.0	69.6
Value of farms	103.0	23.6
Value of farm tools and machinery,	62.0	27.7
Value of live stock on farms	100.0	17.3

In Massachusetts alone the average annual increase in Savings Bank deposits from 1850 to 1860 was 12 per cent; from 1870 to 1880, 5 per cent. (Mass. Savings Bank Rep., 1887, p. 616.)

It is hardly ingenuous to ascribe the low tariff results to the fact that the Crimean war, the discovery of gold in California, or the Irish famine, occurred during the years 1850–1860, while ascribing the smaller increase during the later period to "protection"

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alone. If that style of argument were resorted to, the discovery of petroleum, etc., might go as an offset. Everything considered, the fact of larger increase under a low tariff remains unimpaired.

XIX. TEXT BOOKS.

(*Page* 143.)

In the index to the catalogue of the London Library there is a list of seventy-seven authors who have written on protection and free trade, mostly English or French, and several in German, Italian, and Russian. They declare, seventy-five to two (the two being eccentrics of no note), that the protective system is a mistake most injurious to the country that adopts it.[1]

A letter (1888) on the tariff from the late professor of Political Economy in Harvard College, Prof. Francis Bowen, long known as a protectionist of the early school, and addressed to a well-known Republican politician, expresses as well as any the attitude of students of Political Economy generally towards our present tariff. After disclaiming, in a very emphatic way of his own, that he is a free-trader, as he understands the phrase, he proceeds, among other things, to say: "Our advantages for producing any sort of crude material adapted to our soil and climate are so immense that we have here no foreign competition to dread. To tax the importation of these is to enhance in two respects the price of the articles into which they are manufactured: first, by the additional cost of the raw material; secondly, by the higher protective duty which will then be needed to guard the home manufacturer against his rivals abroad. Thus the home pro-

[1] Free Trade and English Commerce, by Augustus Mongredieu, p. 33.

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ducer of the raw material will have gained nothing; the higher price which he will have to pay for all manufactured goods will more than offset the advantage gained in disposing of his own products. Hence the almost unanimous protest of our woollen manufacturers against the duties on imported wools. Hence, also, the outcry against those duties on all articles used in shipbuilding, which have banished the American flag from nearly all European and Asiatic ports. The numerous lines of steamers which conduct the commerce of New York and Boston with Europe, bear a British, French, Belgian, or German flag, never an American one. Is this your mode of protecting American industry and trade?

"The monstrous tariff, under the burden of which every portion of our land is now groaning, is still, with a few trifling modifications, the war tariff, which was framed to meet the exigencies of our great civil contest. In its origin it was not intended for the protection of home industry, but for heavy taxation, — to raise the largest possible sums wherewith to support the grand effort to defend Northern soil, and to crush negro slavery out of existence. All honor to the men who framed it for this patriotic purpose. We cheerfully submitted to its heavy burden while the war lasted, and for a few years after its glorious termination, till we could see our way clear towards paying off the enormous debt which was the price of freedom. But to maintain it during the past ten years, to maintain it even now, when that debt is reduced to a comparatively insignificant amount, and when we have more money in the national treasury than we know what to do with, is not protection, but tyranny. It is crushing our native industries. It is taxing all the necessaries of life, and thereby driving our native workmen into numerous and riotous attempts to raise the rate of wages upon which they can no longer subsist. It

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taxes the artisan and the common laborer in the necessary condiments of his daily food; in his clothing, his tools, and his materials; in the blanket under which he sleeps at night, and the dwelling that shelters him; in the fire that warms him, and the light by which he works. Even God's sunshine cannot reach him, except through taxed glass. If he is sick, he must be medicined with taxed drugs; and if he dies, to adopt Sydney Smith's striking figure, he must rest in a taxed coffin, to be taxed no more.

"And this taxation must be kept up by the whole Republican party, in order to add a further surplus of about one hundred millions a year to the many tons of gold and silver which are already lying idle in the national treasury. These useless accumulations are converted, through the frantic attempts of Congress to diminish their amount, into a gigantic corruption fund, in order, by lavish local expenditures, to bribe the voters in certain favored districts into supporting the iniquitous system. If to the burden of this war tariff we add the weight of the excessive State and municipal taxation which follows naturally in its train and is fostered by its example, it will not seem too much to say that, while our government is the wealthiest of all governments, our people are more heavily taxed than any other on the face of the earth. And to increase the oddity of the situation, it appears that with all this superfluity of wealth at the command of our Congress, we are actually on the verge of national bankruptcy; that is, of being reduced through a commercial crisis, which may occur at any moment, to the use of the silver dollar as our only circulating medium; that is, again, to paying all public and private debts at the rate of about seventy cents on the dollar. It seems to me, therefore, that not only our prosperity as a people, but our national character, is at stake. We shall be humiliated, both in our own esteem and

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in the eyes of other nations, if we remain sluggishly in this scandalous position, and continue to incur this fearful risk. It is not statesmanship, but the madness of party spirit, the greed of office-seekers, and the shouts of an unthinking mob incited by the hope of public plunder, that have placed us where we are. A vigorous effort at the impending election may enable us once more to hold up our heads before all the world."

(The hope implied in the last sentence of the venerable professor was not realized, for Mr. Cleveland was not elected president.)

XX. VICTORIA AND NEW SOUTH WALES.

(*Page* 146.)

The Anglo-Australian colonies of Victoria and New South Wales prove that even in "young communities," the chosen field of protection, the experiment of protection and free trade, when tried side by side, by equal countries under like conditions, turns out in favor of free trade. Victoria, in 1865, adopted protection; in 1871 she adopted a very intensified form. New South Wales has had a tariff for revenue only. This has been especially true since 1874. The statistics are furnished by George Baden Powell, M.A., F.R.A.S., F.S.S., a well-known English statistician, who personally visited and inspected these colonies twice during the trade years 1870–80, when these statistics were made by these colonies working out their antagonistic trade theories. Of the nine English colonies who are entirely free of England to arrange their own tariffs, only two, viz. Canada and Victoria, have made "hostile tariffs," i.e. tariffs of 20 per cent average or more against imports.

The two colonies, side by side, with the same

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climate, rich soil, mineral and agricultural wealth, the like English population in both, with railroads, ample capital, and all the other adjuncts of civilization to assist, started out on their trade careers at about the same time, 1871. Both had ample territories; — Victoria having 55,000,000 acres; New South Wales, 198,000,000. Victoria had a population of 730,000 (or 170,000 less than the State of New Jersey), New South Wales had 520,000 (or about the population of Connecticut). Three-fourths of the area of both colonies were still unsettled, and while Victoria had about ten persons to a square mile, New South Wales had three, thus giving Victoria whatever advantage there is in a denser population. Coal is found only in New South Wales, and is brought to Sydney, its manufacturing centre, by water, in a day, while it takes three days to carry it to Melbourne, the manufacturing centre of Victoria. To offset this advantage in transportation, which, it will be seen, is not great, Victoria had a great superiority in the production of gold; though in both colonies, from natural causes not necessary to mention here, gold-mining declined (1870–80). Victoria had more men and more capital.

At the end of ten years, statistics, mainly derived from the official documents and records of the Victoria government itself, show the following results. It might be thought that in manufactures, at least, the protection country, Victoria, would lead. The plea that protection makes is, that it fosters manufactures and gives employment to more people who would else go without work. But what happened in Australia? At the end of this period of ten years, 3.7 per cent of the population of New South Wales were engaged in manufactures; 3.2 per cent in Victoria; though in Victoria some 20,000 gold-miners, mostly skilled mechanics, through failure of the mines, had been set free to assist the Victoria

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manufacturers. The statistics also show that the manufactures became as diversified in free trade New South Wales as in Victoria, thus settling the fallacy that a high tariff, rather than free trade, creates diversity of manufactures. In 1880, Victoria employed 750 hands in woollens; New South Wales 300. But in 1870, Victoria built 800 tons of shipping, and New South Wales 1800 tons. In 1880 Victoria's output of ships had fallen to 400 tons, and New South Wales had risen to 3000 tons.

The Victoria "protected" manufacturers meanwhile had not been slow to see and complain of the advantages which their free-trade competitors of New South Wales had over them in free raw material. As late as 1880 the Victoria bootmakers, through their committee, declared that they found it difficult to sell outside their home market because of the competition from New South Wales, and they give this reason, "All leathers — the boot-manufacturers' raw material — are admitted free into the port of Sydney (New South Wales), while an import duty of 7½, 10, and 20 per cent is enforced in Victoria, thereby placing the New South Wales manufacturers at an advantage."

Again: as these two colonies contain a very industrious and able British population and as they are young, they import according to their population more largely than either the United States or Great Britain. For while the United States import about $10 for each inhabitant and Great Britain $50, these Australian colonies annually import $100 worth of goods for each man, woman, and child. Protection, therefore, does not keep out foreign goods from Victoria any more than from her rival, only New South Wales, getting her imports at much less cost, enjoys them at home, turns round with her wares made cheaper by her low tariff and drives out Victoria from the markets abroad.

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The figures are equally significant in the matter of revenue. Protection insists that its duties are necessary in order to raise revenue, and that the higher the tariff the greater the revenue. But from 1870 the Victoria revenue, with many fluctuations, chiefly downward, yielded in 1880 about $7,000,000 annually. In the same period the customs revenue of New South Wales steadily rose from $4,750,000 to $6,500,000. In other words, New South Wales, with less population and a low tariff, contributed about as much revenue as Victoria with a larger population and a protective tariff.

The same thing seems true as to general prosperity and growth. In 1870 New South Wales was doing an external trade of $95,000,000 yearly. In 1880 this trade had risen to $147,500,000. In 1870 the same trade of Victoria stood at $138,000,000. In 1880 it stood at $152,500,000. The free-trade colony was doing $50,000,000 more business than at the start; the "protected" colony $15,000,000 more; or, in other words, under a low tariff this trade had increased by more than one-half; under a high tariff one-ninth.

To look a little closer: in 1870 the value of the produce or manufacture of each colony was exactly 77 per cent of the total value exported from each colony. In 1880 the amount of this native produce had risen to 83 per cent in New South Wales and fallen to 68 per cent in Victoria; or, in other words, under free trade exports had increased; under a high tariff, fallen. As to imports: in 1870 New South Wales imported $45,000,000. In 1880, $70,000,000 — a 60 per cent increase. In 1870 Victoria imported $62,500,000. In 1880, $73,000,000 — an increase of 20 per cent; "in other words," to use Mr. Powell's sentence, "not only the power but the using of the power to purchase foreign produce (and there was profit accruing to each pur-

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chase made) increased by about three times the speed under the low tariff to what it did under the high tariff."

Now, then, as to the condition of the population of these two colonies. In the ten years under review the population of New South Wales increased from 520,000 to 740,000, 48 per cent. Victoria increased from 730,000 to 860,000, 17 per cent. A blunder in the census, detected by the Victoria Statistical Department in 1880, reveals a still more curious fact in the relations of the two colonies. Victoria's population of 860,000 was 76,000 over the mark, representing in large measure the people who had deserted her "protection" for the free trade of New South Wales. Indeed, the fact of this emigration is now well known in both colonies and is often complained of in Victoria. Prices of the necessaries of life are lower of course in the free-trade colony, though the value of ratable property has doubled in ten years in New South Wales, and only increased by one-half in Victoria.

In New South Wales the tonnage of shipping visiting the colony increased from 1,500,000 to 2,600,000 tons. In Victoria, from 1,300,000 to 2,200,000. These figures are more significant when the records of ballast are considered. In the decade, 3,000,000 tons of shipping in ballast visited New South Wales; 117,000 tons left her in ballast. There came to Victoria in the same period, 113,000 tons of shipping in ballast; 2,500,000 tons left her in ballast, the greater part of which went to New South Wales. Empty ships *arriving* in New South Wales, in 1870, were 220,000 tons; in 1880, 320,000 tons. Empty ships *leaving* Victoria, in 1870, 198,000 tons; in 1880, 250,000 tons.

The savings-bank deposits are a fair index of prosperity, a general increase of wealth showing itself in a great increase of these deposits. In New

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South Wales the deposits had increased from $4,650,000 to $7,500,000, and the number of depositors from 21,000 to 32,000. In Victoria the deposits had increased from $5,500,000 to $8,000,000; but the depositors had increased in number from 38,000 to 76,000. In other words, the average amount deposited in New South Wales has risen steadily from $220 per head to $235 per head. In Victoria the average deposited per head had fallen from $145 per head to $75 per head. In other words, the wealth was accumulating in the hands of a few. It has followed that the average wages of skilled labor grew in New South Wales from being lower to being higher than similar wages in Victoria. In other words, wages rose higher under a low tariff than under a high tariff. As stated, the wages were not only higher, but their purchasing power was largely increased.

Marriages also are a sign of prosperity as well as a cause. In New South Wales the annual number of marriages steadily increased from 3,800 to 5,100, an increase of one-third. In Victoria, the increase in annual number has been from 4,700 to 5,100, an increase of one-eighth. Compared to population, marriages in New South Wales are as 7 to 1,000 of population; in Victoria, they are but 6 to 1,000. This is emphasized by the fact that there are more women in proportion in the colony where the marriages are the less common. In New South Wales there being 80 women to 100 men; whereas, in Victoria there are 90 women to every 100 men. Perhaps the draft of men from the "protected" to the free-trade country may assist in explaining this phenomenon.

The feeling of the industrial classes differs greatly in the two colonies. General, outspoken discontent among capitalists and working-men is visible in Victoria; it is a salient feature lacking

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in New South Wales. Each industrial class in Victoria has in turn complained of the duties which especially weigh on it. Miners demand lower duties on mining machinery and tools. Farmers threaten to give up farming because of the high prices they are forced to pay for their implements and materials. Multitudes of laborers, the very men who insisted, by their votes, in placing these burdens, have had, from time to time, to stave off starvation at relief-work wages. It was with general approbation that a recent premier of Victoria promised the country "a free breakfast-table."

XXI. ENGLISH OPINION.

(*Page* 153.)

The general English opinion of our commercial future, under a reformed tariff, is that outlined by Mr. Gladstone at Leeds. Lord Brassey, one of the largest English manufacturers, says in his "Lectures on the Labor Question," "If the duties imposed in the United States on all raw materials should be repealed, and if, as we may reasonably anticipate, the cost of living should be materially lessened, the cost of production under those more favorable circumstances would be so much reduced that the present advantages of the British manufacturer would cease, and there would be no longer a sufficient margin to cover the cost of transportation from this country to America." (And if the American mechanic could outmatch his English brother in producing goods at a lesser cost, as his record shows he can, there would then be a sufficient margin to cover the cost of transporting those goods into England, and to sell them in competition with the English manufacturer, and at a profit.)

In 1882, William Rathborne, M.P., said in his

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essay on "Protection and Communism": "There is a great and growing feeling in this country that it is in the interest of England that the United States should still adhere to protection. As long as they do so, it is thought England is safe from her only dangerous competitor in the markets of the world."

Mr. Joseph Chamberlain, M.P., said in 1882, to an English audience: "For myself, speaking only as an Englishman, I look forward with anxiety, not unmingled with alarm, to the time when our merchants and manufacturers will have to face the free and unrestricted competition of the great republic of the west, and when the enterprise of its citizens and the unparalleled resources of its soil will no longer be shackled and handicapped by the artificial restrictions which have hitherto impeded the full development of its external commerce." (It may be stated on good authority that Mr. Chamberlain is interested in the maintenance of the American tariff on wood screws, in the manufacture of which he is engaged, and that he has received large subsidies from his American competitors, for agreeing not to throw his goods on the American market. Question: Do or do not the American consumers of wood screws pay these subsidies?)

Sir Charles Dilke, one of the ablest men in England, is reported as saying in 1888: "One of the chief elements of our present commercial and shipping predominance has always seemed to me to be that our great natural rival of the New World prefers to feed on her own fat, like the hibernating bear, and leaves us free outside to range the globe."

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XXII. LUMBER.

(*Page* 192.)

Certain interesting facts with regard to lumber appear in a speech of W. D. Bynum, a representative from Indiana, on June 5, 1888, during the tariff debate of that year, —

Much has been said about the wages paid by the lumber manufacturers of Michigan and other States. It is claimed that if lumber is placed upon the free list wages in this industry will be reduced. It will require more than mere assertions; it will require more than the testimony of interested parties to convince me that wages are higher in the lumber regions of Michigan than they are in close proximity in Canada. Such a statement the gentleman from Maine (Mr. Reed) would say "everybody knows is absurd." The laborers of Canada are not going to work for 30 per cent less if by crossing an imaginary line they can get 30 per cent more wages. They will come over and keep coming until wages have so fallen in the United States and so risen in Canada as to be upon an equality. What has the tariff done? That it has put one penny into the pockets of the wage-workers no one has dared to claim. Every member upon the other side, when pressed, has admitted that the wages paid by the lumbermen are no greater than those paid in other avocations in the same locality. Who, then, has received any benefit?

The price of white-pine lumber has advanced several dollars per thousand in the last two years. The price in Saginaw, Mich., in 1876 was $9.67 per thousand; in 1877 it was $9.73; in 1878 it was $9.66; in 1879 it was $9.50; in 1880 the stumpage, that is, the timber had been so reduced that the same had come under the control of a few men, who, organizing a combination, advanced the price to $11.63. In 1881 it was further advanced to $13.92, and in 1882 it was sold as high as $14 per thousand, and still sells for about that price; that is, good common white pine lumber. This advance was brought about by a combination of the owners of the stumpage, who were principally the lumbermen. The lumber barons have gotten hold of all the timber, advanced the price of stumpage from an average of $1 to an average of $4.50 per thousand. This was the cause of the advance in the price of timber lands of from 300 to 1,000 per cent, as stated by the gentleman from Minnesota (Mr. Wilson). The gentleman from Maine (Mr. Reed) attempted to answer this in his usual style, declaring that the

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increase in value was solely on account of the wonderful growth and progress that had taken place throughout the country. The truth is that the best farming lands in Ohio, Indiana, and the Western States, which have been improved, have during this period fallen instead of risen in value.

This argument is upon a par with all the sophistry that has been made use of by gentlemen upon the other side during this debate. Why should white-pine stumpage have advanced so marvellously, while the stumpage of all other kinds of timber remained stationary? Why should this class of stumpage be worth $4.50 per thousand in the United States and only $1.25 per thousand in Canada? The reason is perfectly apparent: a few men own the timber in the United States, they have combined to realize every dollar they possibly can out of it. They have an advantage over their Canadian competitor of about $1 per thousand in the cost of transportation, and $2 per thousand in the duty, and these they have added to the value of their timber and estimate it as a part of the cost of lumber. Every dollar goes to the owners of the stumpage. Let us see what their profits amount to. The government sold the lands upon which the timber stands at from $1.25 to $2.50 per acre — a section at the highest price costing $1,600. These lands, according to the lowest estimate, contain, upon an average, a stumpage of 5,000 feet per acre. A section, therefore, contains a stumpage of 3,200,000, which, at $4.50 per thousand, brings $14,400.

The land, after the timber has been removed, sells for from $2.50 to $10 per acre. Upon an average it brings more than the original cost. The lumbermen, therefore, realize a clean profit off of each section of land purchased by them of over $15,000.

Here is where the $2 per thousand duty has gone. Here is where your protection protects. It has not gone into the calloused hand of the wage-worker, but into the price of the timber, before labor has touched it, and afterwards into the bank accounts of the timber or lumber barons. Shall we uphold and sustain this monopoly, or shall we release the people from its grasp?

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XXIII. WHO GETS TARIFF PROFITS?

(*Page* 193.)

Mr. Mills, in his tariff speech of April 2, 1888, in the House of Representatives, has certain interesting instances of the *stoppage in transitu* of profits nominally intended for the enrichment of labor, —

The tariff is not intended to and does not benefit labor. The benefit of the tariff never passes beyond the pocket of the manufacturer, and to the pockets of his workmen.

I find in this report one pair of five-pound blankets. The whole cost, as stated by the manufacturer, is $2.51. The labor cost he paid for making them is 35 cents. The present tariff is $1.90. Now, here is $1.55 in this tariff over and above the entire labor cost of these blankets. Why did not that manufacturer go and give that money to the laborer? He is able to do it. Here is a tariff that gives him $1.90 on that pair of blankets for the benefit of his laborer, but, notwithstanding that the tariff was imposed for the benefit of American labor and to preserve high wages, every dollar of that tariff went into the manufacturer's pocket. The poor fellow who made the blankets got 35 cents, and the manufacturer kept the $1.90.

Mr. Crain.— Will the gentleman please state how much the committee has reduced that duty?

Mr. Mills.— To $1.00 from $1.90.

Take another pair of 5-pound blankets. The total cost is $2.70. The labor cost is 70 cents. The tariff is $1.98. Now, how strange it is that none of these sums that were intended for the laborer ever get beyond the pocket of the manufacturer. Why is it, when the American Congress enacted this legislation for the benefit of our labor, that every dollar of this aid intended for labor stops in the pockets of the manufacturer, who goes into the highways and hedges and hires his laborer at the lowest price for which he can get him in the market, and then pockets the tariff benefits that we are told every day is intended for the laborer alone — for the benefit of labor.

Here is another pair of 5-pound blankets. The cost is $3.39. The labor cost paid by this manufacturer, he says himself, is 61 cents. The tariff is $2.55. In the pending bill we have left him $1.35, and we have left the other man $1.08. And we have left all along not only enough to cover the difference, if there was any difference, between the labor cost of production in Europe and the labor cost of production in this country, but we have left enough to pay for all the labor and a bonus besides.

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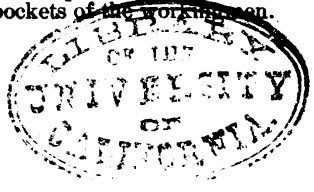
Let us go on a little further. Here is 1 yard of flannel, weighing 4 ounces; it cost 18 cents, of which the laborer got 3 cents; the tariff on it is eight cents. How is it that the whole eight cents did not get into the pockets of the laborer? Is it not strange that those who made the tariff and fastened upon the people these war rates in a time of profound peace, and who are now constantly assailing the Democratic party because it is untrue to the workingman, did not make some provision by which the generous bounty they gave should reach the pocket of him for whom they said it was intended? They charge that we are trying to strike down the labor of the country. Why do they not see that the money they are taking out of the hard earnings of the peeple is delivered in good faith to the workman?

One yard of cassimere weighing 16 ounces costs $1.38; the labor cost is 29 cents; the tariff duty is 80 cents. One pound of sewing silk costs $5.66; the cost for labor is 85 cents; the tariff is $1.69. One gallon of linseed oil costs 46 cents; the labor cost is two cents; the tariff cost is twenty-five cents. One ton of bar-iron costs $31; the labor cost is $10; the tariff fixes several rates for bar-iron. I give the lowest rate, $17.92. One ton of foundry pig-iron costs $11; the labor costs $1.64; the tariff is $6.72.

Let us take Bessemer steel rails. We are told that the steel-rail industry is in great danger of utterly perishing away and departing from this continent, because we propose to reduce the duty from $17 to $11.

The whole cost is put down at $31, the labor cost at $7.57; the tariff is $17. The manufacturer has $9.43 more for each ton than all the labor cost. The labor cost of this ton is exceptionally high. I have a statement of the labor cost of a ton of steel rails at Bethlehem, Pa., taken recently by Mr. Schoenof, and it shows labor cost there $3.85 per ton. The labor cost of a ton of steel rails in England is not one dollar cheaper than here. Mr. Schoenof informs me that a ton of bar-iron costs, for labor, in England about $7.75, and here about $8. But let us leave these and proceed with the official figures. A keg of steel nails costs $2.34; the labor cost is 67 cents, the tariff is $1.25. A ton of pipe-iron costs $34.57; labor cost, $12.26, the tariff is $22.40.

Here is a car-wheel weighing 500 pounds; cost $13; labor cost 85 cents; tariff rate is 2½ cents per pound, equivalent to $12.50, to cover a labor cost of 85 cents! Why, Mr. Chairman, these laborers of ours ought to get immensely rich if they could get all that Congress votes to them, if the manufacturers did not stop the bounties intended by the government to reach the pockets of the workingmen.



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